*"I Believe in Canada"—Sir Joseph Flavelle* (Page 8)

LARGEST CIRCULATION OF ANY CANADIAN FINANCIAL PAPER

# THE FINANCIAL POST

The Canadian Newspaper for Business Men and Investors

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## The Nation's Business

**Wheat Dictatorship With Responsibility To No One**

**Stevens Committee Improves Methods**

**Senate May Probe Public Expenditures**

### Plan Irresponsible Wheat Dictatorship

LEGISLATION now before the three Western Provinces, to be supplemented by some legislation at Ottawa, directed to the control of wheat marketing, deserves more detailed attention than it is likely to get. The bills are likely to pass the western legislatures, for those bodies have long had the habit of passing what they have been instructed to pass by Canada's little wheat oligarchy at Regina. Corresponding legislation may conceivably pass at Ottawa if only because of a certain weariness of the wheat problem which may make the Dominion Government willing to shuffle off its responsibilities.

The legislation in question purports to implement Canada's obligations under the London Wheat Agreement. What it really sets out to do is to fasten on Canada a system of state trading in wheat. It professes to be temporary, but is really aimed at creating a state of affairs from which there would be no early escape.

* * *

THE provincial bills empower the governments to set up three different classes of boards, of which two presumably might actually be set up. The first is an "Emergency Wheat Control Board," one for each province, the primary function of which would be to control by license or otherwise the quantity of wheat which each owner or occupant of land may sell during the crop year 1934-35. No principle is laid down for the guidance of the board in exercising such powers. Blindly, the legislators are asked to vest in an authority yet to be established, the most arbitrary of powers. The boards would have the privilege of handcuffing, shackling and manacling the western wheat grower.

It may be that the very creation of these powers is an incentive, not for the reduction of wheat acreage, but for its increase. Boards, according to announcement made, will not be established until it is determined, in July, what the crop prospects are. By that time it will be impossible to work out any allocation except on the basis of actual production, so the farmer who wants to sell wheat had better have as much wheat as possible.

* * *

IN ADDITION to, or in lieu, of the Emergency Control Board, a Marketing Board is contemplated, which would be appointed either by the western provinces or by the Dominion Government.

If the western legislatures merely contemplated making it possible for the Dominion Government to establish a National Wheat Board, and appoint its members, which would require joint action by the Dominion Parliament and by the legislatures, the Board would at least be responsible to someone. Responsibility for it and for the way it would be conducted, would then be with the Dominion Government, and any excess of power which might be conveyed to it by provincial legislatures might be immaterial. The Dominion Government could still be held to account.

But what is seemingly in mind is that there should be a Wheat Board, exercising complete control over western wheat, appointed by the western governments jointly, and securing such additional powers as it may need by concurrent legislation at Ottawa. Such a Board, because of its joint appointment, would be arbitrary and irresponsible, accountable to no one.

* * *

THERE is a lot to be said against the idea of a Dominion Wheat Board, created by and responsible to the Dominion Government, and with the Government taking responsibility before Parliament and before the country for its actions. It would involve possibilities of gravest harm, with still further damage to the attenuated wheat export business of Canada, not to speak of direct financial losses to be added to those already incurred by governments with respect to wheat. But if the Dominion Government is well advised in refusing to create such a Board, it is altogether without excuse in conniving at the establishment of an irresponsible Board.

Government in this country is presumed to be responsible, and we have already ten governments so classed. There is neither room nor need for an eleventh, of an irresponsible sort, made up of the

(Continued on page 2, col. 3)

# RAIL ECONOMY LAST YEAR DUE TO LESS LABOR

### Two Lines Save $22,147,982 — Payroll Drops $19,019,372

### 9,280 FEWER MEN

### C. P. R. Reduces Operating Ratio in 1933, While C. N. R. Reports Increase

From Our Own Correspondent

MONTREAL.—Reduction in payroll charges was the greatest contributing factor in enabling the Canadian railways to offset the decline in gross operating income during 1933, judging by a survey of operating returns compiled by the Dominion Bureau of Statistics.

Operating revenue of the Canadian Pacific Railway declined from $123,509,370 in 1932 to $113,998,657 in 1933, while expenses fell away from $99,671,078 to $89,251,449.

Last year the Canadian National Railways had a gross operating revenue of $126,701,227 and a net income of $650,101. This compared with a gross return of $139,948,317 and a net income of $2,319,799 in the previous year.

It will be noted that the Canadian Pacific Railway was able to reduce its operating expenses by approximately $10,000,000, while the government-owned system sliced over $13,000,000 from its expenses.

**Feature Payroll Changes**

In analyzing the returns to find out how the railways were able to effect these savings, the change in payroll charges stands out.

**C. P. R. Drops Workers**

Last year the Canadian Pacific had 45,682 employees, or 3,775 fewer than in the previous year. The total payroll is reported by the Federal Government at $58,253,009, but of this amount only $58,087,481 was chargeable to operating expenses, a decrease of $9,373,136 from that reported in 1932.

**C. N. R. Reduces Staff**

During 1932 the Canadian National Railways had 67,334 employees, to whom $93,368,221 was paid in salaries and wages, compared with 61,829 employees and a payroll of $82,877,260 in 1933. The amount of the payroll charged to operating expenses registered a reduction from $87,039,986 to $77,393,750, a saving of $9,646,236.

**Labor Important Factor**

Taking the two railways as one, it is shown in the Bureau's return that the number of employees in 1933 was 9,280 fewer than in 1932, while the payroll chargeable to operating expenses was reduced by $19,019,372.

This brings to light the interesting fact that the operating savings effected by the Canadian National and Canadian Pacific Railways in 1933, in comparison with 1932, totalled $22,147,982, as against a drop in payroll charges of $19,019,372.

**"Other" Savings Small**

Eliminating the savings on reduced payroll charges, the two railways were able to affect operating economies of only $3,128,610 during 1933.

**Traffic Revenue Lower**

Further examination of the Bureau's report reveals the manner in which the volume of traffic and earnings of the two railways was limited last year.

Freight revenue of the Canadian Pacific Railway dropped about $6,000,000, while the Canadian National Railway lost over $9,000,000.

Passenger revenue on the C. N. R. was about $2,100,000 less in 1933 than in 1932, while on the Canadian Pacific lines it dropped approximately $2,400,000.

Revenue from mail traffic dropped about the same on both railways—in the neighborhood of $200,000 each.

**Less Freight Carried**

In volume of freight traffic the Canadian Pacific reported 9,353,117,592 tons of revenue freight carried one mile, compared with 10,067,420,032 in 1932.

The Canadian National carried 9,975,693,316 tons of revenue freight one mile last year, as against 11,321,381,317 in the previous year.

Average freight receipt per revenue ton mile on the C. P. R. system in 1933 was .910 cents compared with .906 cents in 1932, while the C. N. R. reported .938 cents in 1933 as against .909 cents in 1932.

**Fewer People Travel**

The number of revenue passengers carried one mile on the Canadian Pacific lines last year was 613,760,424 and the average receipt per passenger mile was 2.308 cents. This compares with 644,797,144 passengers carried one mile and average receipt of 2.571 cents in 1932.

The Government-owned system reported carrying 611,848,609 passengers one mile, compared with 632,465,682 in 1932. The average passenger receipt per passenger mile in 1933 was 2.244 cents, down from 2.499 cents in the preceding twelve months.

**Operating Ratio Charges**

In its summary, the Bureau reports that the ratio of operating expenses to revenues for the Canadian Pacific was 78.29 per cent in 1933 compared with 80.70 per cent in 1932.

The ratio of the Canadian National Railways during 1933 was 96.74 per cent, as against 95.96 per cent in the previous year.

# Bennett May Amend The Bankruptcy Act To Nullify Moratoria

### Conference at Ottawa Pleases Mortgage Men and Prime Minister — Government Believed to Want Recommencement of Mortgage Lending

### WOULD AID CONSTRUCTION INDUSTRIES

Last week's conference between Premier R. B. Bennett and mortgage lending company executives ended with the mortgage men highly pleased and Mr. Bennett also happy over the discussions, The Financial Post is informed.

Since provincial debt adjustment legislation is the bugbear of mortgage lenders at present, it is believed that some indication has been given by Mr. Bennett that steps will be taken to improve the lenders' position; to restart the flow of mortgage money; to ease rates of interest on mortgages; and to give stimulus to the depressed construction industries by this means.

Mr. Bennett's Government may overcome the money-freezing effects of provincial moratoria by introducing an amendment to the Bankruptcy Act at the present session, it is believed. The question is whether or not Mr. Bennett is going to take issue with the provinces on their moratorium laws; whether an amendment to the Bankruptcy Act would not make provincial moratoria ineffective; whether the provinces can clap on debt adjustment legislation in defiance of the Bankruptcy Act, which is entirely a Dominion matter. Since Mr. Bennett is learned in the law, he probably knows the answer.

**Benefit Construction**

The Bankruptcy Act, then, appears to be the instrument by which the Dominion may ease mortgage lending. Improvement in the mortgage situation for the benefit of building industries is believed to be what Mr. Bennett and his advisers are seeking. To borrowers, amendment of the Bankruptcy Act might mean that they either pay maturing principal installments, or make peace with their mortgagees, or else be adjudged bankrupt.

There has been a demand for a revision of debt adjustment statutes along these lines from some provincial quarters. The following resolution was presented to the Alberta legislature on March 8 in connection with a discussion of private and public debts and interest rates:

**Alberta Resolution**

"Whereas the burden of public and private debts is having the effect of seriously crippling industry and business in Alberta and agriculture in particular, thereby delaying recovery, and whereas the Debt Adjustment legislation passed in 1931 and 1933 by the present administration has resulted only in the postponement and increase of private debts as distinguished from the real need of adjustment and reduction of debts; therefore be it

"Resolved that in the opinion of this assembly the Debt Adjustment Act should be amended at the present session so as to embody the principle of real debt adjustment, whereby any resident debtor may obtain the advice and assistance of the Debt Adjustment Board in negotiations between such debtors and his creditors, with a view to a general reduction of his debts and a refunding of same on favorable terms, and further that the Federal Parliament be requested to amend the Bankruptcy Act so as to provide an efficient and inexpensive remedy by way of adjustment of debts where negotiations between the parties fail."

Scorpion-like, the sting is in the tail of the resolution, where Dominion action through the Bankruptcy Act is suggested.

**Creditor and Debtor Discontent**

In Saskatchewan also, resolutions have been introduced suggesting revision of the entire method of handling debt adjustment. Both legitimate creditors and debtors appear to be dissatisfied with present moratoria. Officials of lending organizations have repeatedly referred to debt adjustment legislation as "debt postponement legislation" and it appears that there are debtors who agree. What both groups appear to want is settlement, not postponement. It is contended that the deserving debtor has been deprived of real adjustment, while the undeserving have sheltered behind the provincial laws.

Dammed up mortgage money would come into the market, if moratoria were removed or nullified, lenders inform The Financial Post. It is said to be confidence, not money, that is lacking at present.

# ROGERS RADIO BUSINESS UP OUTLOOK GOOD

### Directors Ratify Purchase of Consolidated Industries Assets

Through acquisition of the assets of Consolidated Industries Ltd., it is believed that Rogers-Majestic Corp. will not only double the volume of its business but that operating costs can be materially reduced, according to D. G. MacKenzie, vice-president and general manager of the company. While inventories were taken over in January the purchase agreement was only recently approved by the courts and ratified by directors of Rogers-Majestic Corp. No cash was involved in the purchase but 33,000 treasury shares of Rogers-Majestic Corp. were tendered in payment together with notes that must be liquidated over a period of three years. Major J. E. Hahn, chairman of the board and president of Consolidated Industries, Ltd., and D. J. O'Donahoe, Montreal, have been elected directors of Rogers-Majestic Corp. while D. H. McDougall has resigned from the board.

Rogers-Majestic Corp. will continue to manufacture and merchandise most of the Consolidated Industries lines. Before the end of 1934 it is expected that all radio manufacturing operations will be concentrated in one plant in Toronto but the engineering and designing of DeForest radios will be kept quite separate from these operations on "Rogers-Batteryless" and "Majestic" sets. Two separate selling organizations will be maintained. The Norge electric refrigerator, formerly manufactured by Consolidated Industries, Ltd., will be retained and offered as a companion line through Rogers dealers while the electric washing machines and ironers formerly manufactured by Consolidated Industries will be offered as companion lines to DeForest dealers. Both Rogers and DeForest dealer organizations will extend from coast to coast. A. H. McLellan, formerly with Kelvinator Co. of Canada, will supervise the Norge division while C. B. Owens, formerly general manager of the Easy Washing Machine Co., will supervise the washing machine division under the general direction of B. A. Trestrail.

**May Double Sales**

In the past, Rogers-Majestic Corp. and Consolidated Industries, Ltd., have secured about an equal amount of the radio business in Canada and together have accounted for approximately 40 per cent of the total business. If the two lines of radios continue to hold their past position Rogers-Majestic Corp. sales will be doubled. This increase can be handled by the present Rogers-Majestic plant and with little increase in the Rogers-Majestic overhead. In addition the company benefits by increased sale of Rogers radio tubes. Included in the assets purchased from Consolidated Industries Ltd., were valuable machinery and equipment which are expected to reduce operating costs.

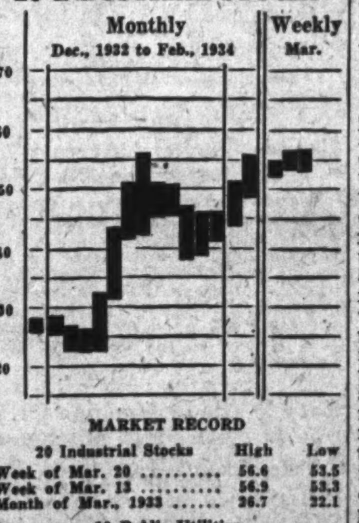
**Business is Better**

Business in the current fiscal year has shown marked improvement over that in the year ended March 31, 1933, when the company had a loss of $474,378 after depreciation and reserve for bad debts, but officials of the company will not comment on the extent to which improvement will be reflected in earnings. It is stated, however, that there is distinct increase in the volume of business in the last six months over business in the corresponding period of the previous year. Production schedules in the last half of four months of 1933 were stepped up to over 200 per cent above earlier estimates, and the company employed more persons than ever before in its history. The radio tube and broadcasting divisions of the company have been profitable. Orders for radio sets for installation in automobiles have opened up a new field and the company is now delivering on orders received from two of the largest Canadian manufacturers of automobiles.

Prospects for improved radio business in 1934 are promising, providing general business conditions improve.

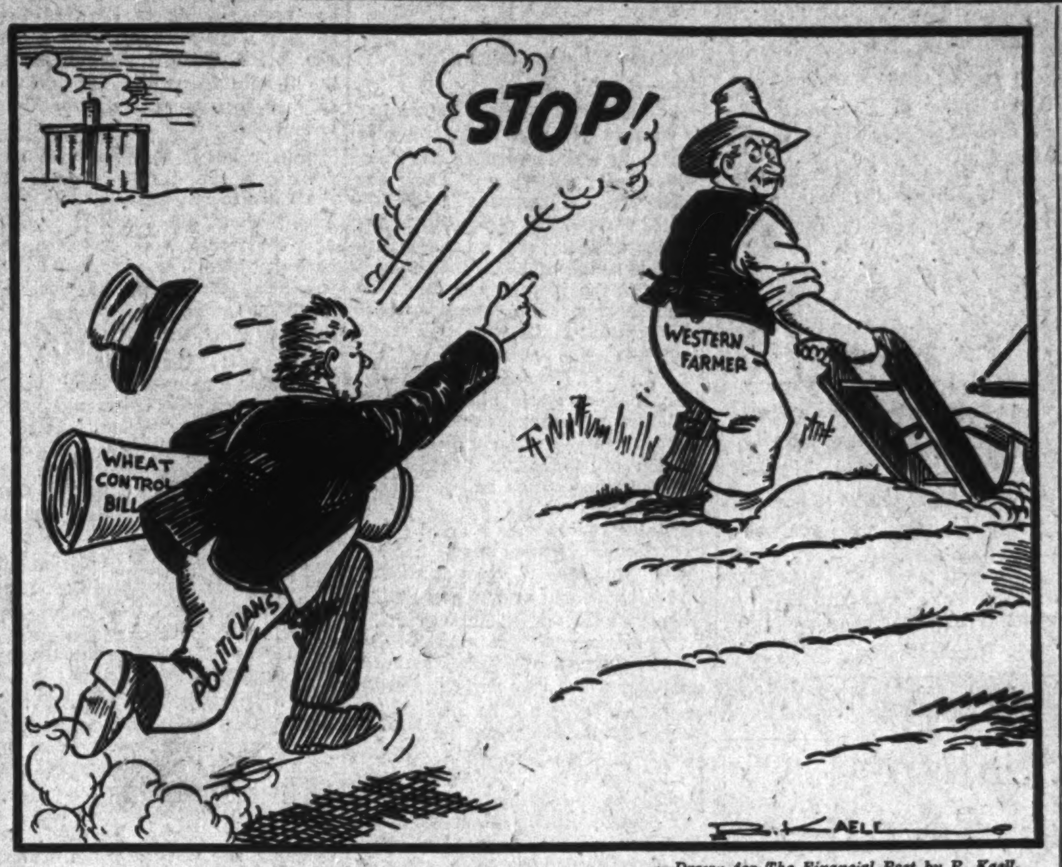
## *Stock Market*

### 20 INDUSTRIAL STOCKS



**MARKET RECORD**

| 20 Industrial Stocks | High | Low |
|---|---|---|
| Week of Mar. 20 | 56.6 | 53.5 |
| Week of Mar. 13 | 56.9 | 53.3 |
| Month of Mar., 1933 | 26.7 | 22.1 |
| **10 Public Utilities** | | |
| Week of Mar. 20 | 58 | 53 |
| Week of Mar. 13 | 55 | 52 |
| Month of Mar., 1933 | 44 | 40 |
| **8 Bank Stocks** | | |
| Week of Mar. 20 | 189 | 186 |
| Week of Mar. 13 | 189 | 185 |
| Month of Mar., 1933 | 158 | 150 |



—Drawn for The Financial Post by R. Kaell.

"Hey, you, who told you you could grow any wheat this year?"

# George Weston Plans Two New Large Plants In London and Chicago

### Programme Calls For Doubling Capacity in Large Markets

### U. S. SALES TREBLE

### Has Just Bought Large Warehouse at Passaic Next to Plant—Shareholders Inspect

By WELLINGTON JEFFERS

PASSAIC, N.J.—Weston Biscuit Co., the United States subsidiary of George Weston, Ltd., has in every way accomplished in its own case what President Roosevelt has been aiming at for industry as a whole in instituting the N. R. A. codes: it is holding the price of its product down; it is speeding up production in a spectacular way; it has used more people in its great plant here at higher wages and shorter hours; and it has by means of the most modern machinery and methods achieved a lower unit cost per biscuit. It began to make a profit in January, 1933, when its monthly output finally reached 750,000 pounds of biscuits, and important Canadian shareholders who were told on March 15 in the course of a day's visit to the plant that March output this year would reach 2,750,000 pounds naturally agreed that this volume gives the company a large margin of safety for present profits.

**Installed Latest Machinery**

A representative of The Financial Post, who joined the shareholders and chief executives of the company in their tour of the plant, was shown in the bake room some of the most modern machinery now in existence and saw enough of its effectiveness to believe that there is to date nothing better. In the next breath—it must be remembered that George Weston, Ltd., is now the only international biscuit company in the world manufacturing in three countries (Canada, the United States and Great Britain) —he was told that the new Edinburgh plant of the company to be opened in April will be equipped with more modern machinery than any other company in the British Isles. The same thing will be true of the company's Chicago plant when final arrangements are completed for purchase and outfitting and of the company's London, England, plant to be established as the next step in the company's plans for the United Kingdom. These rather breath-taking plans for two new factories in the largest biscuit markets of the world will be news to most Canadians, but the company has ample capital and strong financial backing for the undertakings.

**Buys New Passaic Building**

It will also be news that the company has succeeded in buying a large four-story brick building so close to its present Passaic plant that it can drive a tunnel through to it on its own property and by a covered bridge connecting upper floors. This new building, substantial and strong, has a floor area of 52,000 square feet and can be used for warehousing purposes. In line with the whole expansion policy of the company during the depression it secured this building at a fraction of its 1929 value and on terms so easy that payment almost at rental terms will pay for it in a five-year period. It may be said that the Passaic main building with its 600,000 square feet was also obtained originally when the depression made owners of property despair of ever again realizing old values.

Yet these purchases at low prices of plants in Passaic, Toronto, Calgary, Edinburgh and those now being considered in London and

(Continued on page 2, col. 6)

## Consolidated Paper Mills Doing Better

From Our Own Correspondent

MONTREAL. — Consolidated Paper Corp., as well as other Canadian newsprint producers, has been able to step up its plant operations due to the increased demands for paper from the American publishers. In the early part of the current month, it is understood that Consolidated mills as a group were operating as high as 44 per cent of rated capacity.

There has been a slowing down lately, but the general trend of mill operations is appreciably above that reported at this time last year. It is expected that production will be on a comparatively high level for several weeks in anticipation of the opening of navigation when waterborne shipments will commence.

# PUBLIC ACTIVE TRADING STOCK BREWING CORP.

### Ontario Cabinet Decision on Liquor Legislation Sharpens Interest

Shares of Brewing Corp. of Canada attained an outstanding position of leadership on the stock market in recent weeks, as judged by the number of shares changing hands, but there has been some recession from the high point of 10⅛ attained in 1934 because it was rumored that there was inside selling. The Financial Post is informed by the chief executive of the company that there is not a word of truth in this report and that the apparent weakness really resulted from the activities of live arbitragers who have been buying convertible preferred stock and selling common short whenever a profit could thus be made by exchanging each preferred share for 2½ shares of common stock. It is stated that last week alone 5,000 shares of preferred stock were converted in this manner. That alone would account for 12,000 shares out of 36,000 common shares actually sold and it leaves 142,000 preferred shares outstanding.

The interest in Brewing Corp. shares has been partly based on the expectation that the present session of the Ontario Legislature would result in sale of beer and wine being extended to hotels and restaurants and the further expectation that this would cause an increase in sale at the expense of spirituous liquors. It has also arisen from the large-scale plans of the company to continue its programme for merging of various brewing companies in Ontario into one large company, such as National Breweries did in Quebec, with the object of eliminating competition, concentrating manufacturing operations in largest and most modern plants and getting costs lower.

**Now Controls Cosgrave**

Just recently an offer was made to shareholders of Cosgrave Breweries along this line; the company had already obtained one third of the Cosgrave stock and it now has more than half so that control is assured. The offer expires on March 31 and may possibly not be renewed on the same terms. Undoubtedly there will be more offers of the kind to other companies on the ground that it is in the interests

(Continued on page 2, col. 1)

## Highlights of the week

***Sir Joseph Flavelle***

Debt and interest rate problems discussed by one of Canada's foremost citizens. Suggested cures for Canada and world's ills. Page 8

***Mortgages***

Every important phase of mortgage lending discussed in five-page survey of trust and loan companies. Pages 13 to 17. How borrowers, lenders and construction may benefit from Mr. Bennett's plans to defrost the mortgage market. Page 1

***Trucking***

Economy in speedier, more efficient 1934 trucks outlined in special section. What individual makers offer your business. Pages 9 to 12

***War in Canada***

Fireworks supplied by Russia and Japan might mean that Canada would find herself in Belgium's 1914 boots. Professor A. J. Toynbee's startling conclusions. Page 6

***John I. McFarland***

Canada's biggest wheat man, agent for the Government pool, is off to Rome conference. What the trip means to the wheat marketing problem. Page 18

***Municipal Law***

Increased powers for the Ontario Municipal Board proposed in new bill just presented to the legislature. How it is proposed to handle the province's municipal crisis. Page 18

***Trustees***

Place of the professional trustee in insuring your business. R. M. Haultain shows how to avoid confusion of the affairs of your estate. Page 17

***Jobless Insurance***

Actuarial expert Hugh H. Wolfenden proposes a sound plan for unemployment insurance in Canada. Pitfalls to be avoided. Page 21

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# BEAUHARNOIS BOND OFFERING ON SCHEDULE

### Will Test Strength of Market for Corporate Issues

### LARGE SYNDICATE

### Offering Will be Part of First Mortgage Bonds Underwritten by Montreal Power

From Our Own Correspondent

MONTREAL. — The strength of the Canadian bond market will be given its first real test in the next week or two, when a large block of Beauharnois Light, Heat and Power Co.'s 5½ per cent first mortgage bonds will be offered to the public.

Arrangements are understood to be well advanced for the public offering through a syndicate headed by the Dominion Securities Corp. Particulars as to the amount to be offered and the price were not available at time of writing.

This offering will be part of the $13,500,000 of first mortgage bonds underwritten by Montreal Light, Heat and Power Consolidated.

**Sponsored by Montreal Power**

It will be recalled that in the early part of 1933 a reorganization of Beauharnois Power Corp. and its subsidiaries was carried out under the terms of a plan sponsored by Montreal Power—a plan, incidentally, which gave control of the 500,000 h.p. power project to Montreal Power.

One of the principal problems confronting Beauharnois was the difficulty in taking care of bank advances and the raising of additional capital to complete the project.

**Basis of Allotment**

Under the terms of the reorganization plan, the capital was readjusted and first mortgage 5½ per cent bonds of the operating company—Beauharnois Light, Heat and Power Co.—allotted on the following basis:

$24,148,000 were taken up at 92.45 by the banks to satisfy advances made to the company;

$1,352,000 were taken up at 92.45 by the Quebec Government in lieu of license fees and royalties over the five year period to the end of 1936;

$1,000,000 are held in the treasury for corporate purposes; and

$13,500,000 were underwritten at 92.45 by Montreal Light, Heat and Power Consold.—first offered at 95 to the holders of the Beauharnois collateral trust bondholders in the ratio of $450 of new bonds to each $1,000 of old bonds held, together with a bonus of common shares.

**Offering Was "Oversold"**

The offer to the Beauharnois Power Corp. collateral trust bondholders was made in accordance with the terms of the agreement.

Had the bondholders accepted the offer in full, it would have been necessary to have issued $16,200,000 of the first mortgage bonds, or more than were available.

**Power Still Has Liability**

The collateral trust bondholders did not all avail themselves of the rights offered, however, for at the end of 1933 Montreal Light, Heat and Power Consold. reported a contingent liability of $8,742,000 in respect to the underwriting of the Beauharnois bonds.

The Beauharnois financial statement for 1933, on the other hand, shows the amount due from the underwriters of the operating company's first mortgage bonds at $8,081,960. This is the net amount owing to the company. The figure shown in Montreal Power's statement is the par value of bonds underwritten.

This would indicate that the Beauharnois collateral trust bondholders subscribed to only $4,758,000 of the first mortgage bonds, or slightly better than 25 per cent of the total amount offered.

The amount of 5½ per cent first mortgage bonds in the hands of the public at present, however, is presumably substantially more than the amount subscribed for last year by the collateral trust bondholders.

This is attributed to the gradual liquidation of some of the bonds taken over by the banks in return for their advances. Just how many bonds have been liquidated in this way is unknown, but in view of the recent strength of the Canadian market.

# Foreign Trade During February At High Level

Trade figures for February, released during the past week, show that both imports and exports maintained the increase over the corresponding month of the previous year which has featured returns during the past six months. Exports, however, showed an 18 per cent decline from January.

| Monthly | Feb., '34 | Change From Prev. Period % | Change From Prev. Year % |
|---|---|---|---|
| Cigarettes, cons. No. | 312,784,585 | +17.2 | +17.8 |
| Bldg. permits $ | 881,152 | +26.2 | —4.8 |
| Imports ...... $ | 33,591,884 | +4.0 | +42.9 |
| Exports ...... $ | 37,842,403 | —18.8 | +43.3 |
| **Weekly*** | | | |
| Carloadings, No. | 43,494 | +4.3 | +27.1 |
| Cattle sales . No. | 11,899 | +12.4 | +21.4 |
| Hog sales .. No. | 17,364 | —19.2 | —19.6 |

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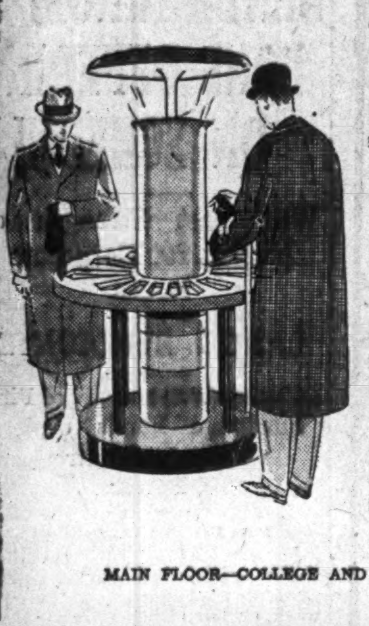
*Weeks ended Mar. 10, 15 and 15 respectively.



MEN'S SHOP EATON'S-COLLEGE STREET

OUR NEW MEN'S SHOP

When Eaton's opened their new Men's Shop they planted a root of Bond Street right on the corner of Bay and College Streets. This smart haberdashery centre is an admission of the type and quality of service men demand. . . . . . .

The shop is completely outfitted and ready to supply your any need from a Burberry coat to a set of links. With Easter and its traditional new clothes so near at hand, it would serve you well to visit the shop. . . .

MAIN FLOOR—COLLEGE AND BAY STREETS WING.

EATON'S-COLLEGE STREET

# Public Interest Satisfied C.P.R. Loan, Says Beatty

## Canadian Pacific President Tells House Committee of Circumstances Leading Up to $60,000,000 Loan

From Our Own Correspondent

MONTREAL.—The action of the Dominion Government in guaranteeing the $60,000,000 loan made by the eight Canadian chartered banks to the Canadian Pacific Railway was justified in the public interest. This was the view expressed by E. W. Beatty, chairman and president of the company, before the special committee of the House convened for the purpose of investigating certain features of the banking situation.

In explaining the circumstances under which this loan was made, Mr. Beatty pointed out that with the London money market closed, the New York market unfavorable, and with $57,000,000 of maturing obligations to meet, it was a matter of national importance that the guarantee be given by the Dominion.

### Statement Covers Situation

In his statement to the committee, Mr. Beatty said:

"The Bank of Montreal has been the principal banker of the company since the organization of the latter in 1881. Up to three years ago their relationship was almost entirely that of depositor and depository, though, on some occasions, the bank participated in the underwriting of securities issued by the company.

"For the 25 years ending December 31, 1931, the average daily balance at the credit of the company amounted to $24,885,500, on which the bank allowed interest at varying rates averaging 2.73 per cent per annum.

"Prior to 1931 the company procured money for capital purposes by the sale to the public of capital stock, debenture stock, collateral trust bonds and other long term securities. The practice was to pay for extensions, additions and improvements out of current cash, and on completion of the work to reimburse the treasury to the extent considered expedient by a public issue of securities.

"In that year the depression began to be felt, the surplus earnings of the year falling to $14,584,471 from $39,181,716 in 1930 and $42,227,761 in 1929.

### Secured Two Advances

"Its commitments for extensions and improvements during the year were heavy, and being unable, on account of the unfavorable condition of the security market, to provide for them in the usual way, the company obtained from the Bank of Montreal two advances for a period of two years, one of $5,000,000 and the other of $15,000,000.

"The situation in May, 1933, was that these obligations were maturing on June 22 and September 30, a loan of $10,000,000 from the Chase National Bank of New York was to mature on July 15, and loans from various other United States banks aggregating $2,300,000 later in the year. To provide for these and for the principal of long term securities held by the public, maturing in 1933 and 1934, the company applied to a group of Canadian banks for a loan of $60,000,000 to be secured by the pledge of $100,000,000 consolidated debenture stock, for a term of five years, it being considered that at the expiration of that period, or sooner, the security market would have improved to such an extent that the loan could be retired by the sale of the consolidated debenture stock in the market.

"The market price in New York of consolidated debenture stock ranged at that time from 58 to 67. Since that time the market has steadily improved, and is now 80 and upward, at which price the value of the security for the loan of $60,000,000 is now approximately $80,000,000. Owing, however, to the large amount involved, the period for which it was desired, and the unsteady condition of the market, the banks required additional security, and the company thereupon undertook to apply to the Dominion Government for a guarantee.

"After some preliminary conversations the matter was formally laid before the Prime Minister on May 30 by the president of the Bank of Montreal and myself, at which time I submitted to him a confidential memo to which I will presently refer. At these interviews the requirements of the company, the nature of the security, and conditions in financial centres were discussed at length.

"It being suggested by the Prime Minister that, notwithstanding our advices from London it was possible that some part at least of the loan might be obtained there, I undertook to personally canvass the situation from that point of view, and to the extent of my success to reduce the amount of the bank loans.

### Banks Were Agreed

"On May 31 Rt. Hon. Mr. Bennett notified the banks of the Government's approval. Owing to his immediate departure for England the requisite Order-in-Council stood over until his return, but the banks agreed to make the advances on the assurance of the notice given them. The terms of the loan provided for its being advanced in two installments, one of $35,000,000 on June 22, 1933, and the other of $25,000,000 on December 1, 1933, with the privilege to the company of paying at any time before maturity, ratably among the banks, the whole or any part of the principal, on giving not less than 60 days notice in writing.

"I went to England in July and the information I then obtained only confirmed our previous advices. I was advised as well in official circles as in financial circles that the time was inopportune for an issue, on the ground that the refunding programme of the Imperial Government and the probable requirements of Dominion Governments were sufficient for the market."

### Discussed Memorandum

The memorandum mentioned by Mr. Beatty gave particulars of the maturities to be met by the company, totalling $57,244,000, of which $32,800,000 were bank loans, nearly all of which were payable in the United States.

The confidential memorandum further referred to the public nature of the company's operations and justified the loan in the public interest and welfare. Allusion was made to the fact that the company had spent $100,000,000 in the colonization and development of the country and $19,000,000 on works for unemployment relief. All of the company's contracts and obligations had been fully satisfied.

Mr. Beatty went into some details of the company's financial structure to show assets exceeding liabilities by over $304,000,000.

# PUBLIC ACTIVE TRADING STOCK BREWING CORP.

(Continued from page 1)

of every shareholder of an Ontario brewing company to clear away the obstacles to profit in the province.

### Sales Increasing

The consolidated balance sheet for the year ending March 31, 1934, will be a strong one. Sales are increasing and for the first half of March are reported to be 20 per cent more than for the same period of 1933.

It is a difficult thing for shareholders to assess the value of a stock that depends in part on legislation not yet passed, even though the general lines of the bill have been indicated.

As between various companies whose shares are offered to the public it is difficult to choose on the basis of earning records. Obviously the situation will be different when salesmanship, location of breweries, advertising policies and public preferences will bear more influence than at present. It is not entirely safe to judge the possibilities of companies by the capacity of plants because for recent years only 20 per cent of total capacity has been in use. The chief executives in the industry are planning, however, on the new conditions bringing about use of 60 per cent of capacity of main breweries to produce. On this basis the public valuation of Brewing Corp. shares is under that of other companies in which the public have a large share interest as shown by the following table:

Worth of Brewing Capacity Per Share

| | Capacity Bbls. per Annum | No. of Shares | Market Price Shares | Total Market Value $ | Mkt. Value Per Bbl. Ann. Cap $ |
|---|---|---|---|---|---|
| Brewing Corp. | 900,000 | 147,000 p. | 24 | 6,390,000 | 7.10 |
| | | 318,000 c. | 9 | | |
| Canada Bud | *150,000 | 150,000 | 12 | 1,800,000 | 12.50 |
| Walkerville | 135,000 | 375,000 | 7¾ | 3,000,000 | 22.00 |
| Nat. Breweries | *1,000,000 | 110,000 p. | 27 | | |
| | | 721 872 c. | 28 | 23,168 416 | 23.16 |

* Estimated.

# The Nation's Business

(Continued from page 1)

three individuals who may happen to be premiers in Manitoba, Saskatchewan and Alberta, and that would still be the case if they were better and abler men than their strongest supporters claim. Still less room is there for the irresponsible dictatorship over wheat, deriving from those three, which the current legislation clearly seeks to set up.

* * *

### Stevens Committee Mends Its Ways

A CHANGE for the better has taken place in the manner of handling evidence before the Stevens inquiry at Ottawa. There are still "leading questions," still frequent attempts to direct the course of the evidence, still an obvious effort to make a case. But the conduct of the inquiry has improved considerably since The Financial Post criticized it a week ago.

When the secretary of the R. M. A. of Nova Scotia appeared, Mr. Stevens asked him definitely: "Before you start, are the statements that you make in this presentation of your own knowledge?" No such precaution had previously been taken.

Later the witness started to repeat gossip. He began: "Some say it was to save—." He was at once interrupted and properly so by Mr. Sommerville, committee counsel.

And when the brief of the Summerside Board of Trade was read, making allegations against a large mail order firm, the commission counsel substituted the letter "A" for the name of the firm.

It is easy enough for the committee to get all the facts it wants without deviating from just and fair methods of inquiry. The modifications that have taken place in the method of handling evidence are for the best.

* * *

### Senate Seeks Useful Work

WITH a programme of important financial legislation facing Parliament, current developments in the Senate have not received as much publicity as circumstances warrant.

It would appear that a number of senators believe that the Government has treated the Upper House cavalierly in a number of respects — chiefly in not giving senators sufficient work to keep them busy. While the Commons has been slaving to advance the banking legislation and the Stevens price spreads investigation, the Senate frequently has had to adjourn because there was nothing to be done.

Rumor has it that Senators addressed a grand remonstrance to the Government early in the session, without avail, and it is notable that for a week or two a debate has been in progress on a resolution discussing the work of the Senate.

* * *

FOR years the advisability of making a more even distribution of legislative work between the two houses has been discussed. In 1931 and 1932, the Government did use the Senate to originate several of the more important bills but this year has seen a reversion to traditional practice.

The constitutional position of the Senate is not appreciated generally in Canada. It is commonly looked upon as the equivalent to the House of Lords in the United Kingdom. This, of course, is an error. The British North America Act sets out that both houses are of equal power. Their authority, in each case, is the equivalent of the British House of Commons.

Occasionally the Senate has exerted its authority. In 1927, for example, the Government's branch line programme was thrown out. As this was a "money" bill and supposed, for that reason, to be the exclusive concern of the Commons, there was much indignation, and the King Government promptly initiated a Senate reform movement. Nothing ever came of this crusade, except campaign speeches, and the Senate has continued on its course with undiminished authority.

Unfortunately for the country, the Senate weakened on the branch line programme the following year and allowed it to be enacted piece meal.

But the main debate on the work of the Senate was supplemented last week by a resolution moved by Senator C. W. Robinson. This resolution called for the appointment of a committee to investigate the public accounts and the estimates. It was carried unanimously.

Mr. Robinson, in his speech, left little doubt as to what his resolution may involve. He said:

> "I submit that it is not only our right but our duty to examine very carefully every money bill referred to this chamber and, if deemed advisable, to amend it for the national good."

Further, he said:

> "The volume of our national, provincial and municipal debt is increasing at an alarming rate, with the inevitable result that taxation is becoming so burdensome that we scarcely know how we shall be able to meet the demands of the future. Therefore I am confident that a thorough examination of national finance by a strong committee of the Senate would be of great benefit to every citizen of this country."

* * *

THE Senate, in appointing this committee, obviously has two courses in mind:

1. To expose governmental extravagance wherever it may be found and to suggest economies.
2. To pave the way for a more detailed consideration of money bills.

Undoubtedly there is much useful work to be done along these lines. The Public Accounts Committee of the Commons has been among the more somnolent and inactive of committees in the past ten years. The public, apparently, has become so inured to huge governmental expenditures that members of the lower house no longer find it politically profitable to do more than give the accounts a hasty scrutiny.

# SHAWINIGAN ADDS 40,000 H. P. UNIT AT RAPIDE BLANC

## Company's Installed Capacity Now in Excess of 800,000 H.P.

From Our Own Correspondent

MONTREAL.—The second of the four units of 40,000 h.p. each being installed at the Rapide Blanc Development on the Upper St. Maurice River has been brought into operation by Shawinigan Water and Power Co. The first unit was turned over earlier in the month. These units are not as yet operating to full capacity, but will do so on the raising of the water from the spring floods.

It is expected that the other two units will be completed shortly; one in the early part of April and the second by the middle of May. By that time the whole four units will be running to their full capacity of 160,000 h.p.

### Take Care of Demand

Completion of the installation of the first two units increases the present capacity of Shawinigan's installed capacity to 809,200 h.p. With the other two brought into operation, the company will be able to produce 889,200 h.p.

The additional power being made available by the Rapide Blanc development is being readily absorbed in order to meet the increasing power load in the territories served by the system.

The increases of power consumption indicated in the 1933 report have been continued during the first two months of this year.

## Hayes Wheels & Forgings Shows Improvement

Hayes Wheels & Forgings Ltd. had net loss of $67,004 in 1933 before providing for depreciation. In 1932 when the company was paying bond interest there was a loss of $182,674 after bond interest but before depreciation. During 1933 $48,574 was written off investment in and advances to subsidiary company. Affected by lower production of automobiles in 1933, the company reports increased sales in the first quarter of 1934 as a result of increased activity in the automobile industry.

Working capital at $168,631 compares with $205,702 at the end of 1932. Current assets total $218,897 of which $46,458 is cash, $44,000 in receivables and $128,439 in inventories. Accounts payable amount to $44,628. The company is in default on sinking fund and interest payments due in 1933 on its $436,500 of 6 per cent bonds outstanding.

## North Star Oil Sales 6 p.c. Lower in 1933

North Star Oil Ltd. maintained gross income in 1933 at $941,337, as compared with $968,112 in 1932, but operating expenses jumped to $669,794 from $558,828. After providing for decreased depreciation and interest, there was a net profit of $10,919 as against $36,249 in 1932. Preferred dividends amounted to $52,500. Dividend payments were discontinued in 1933.

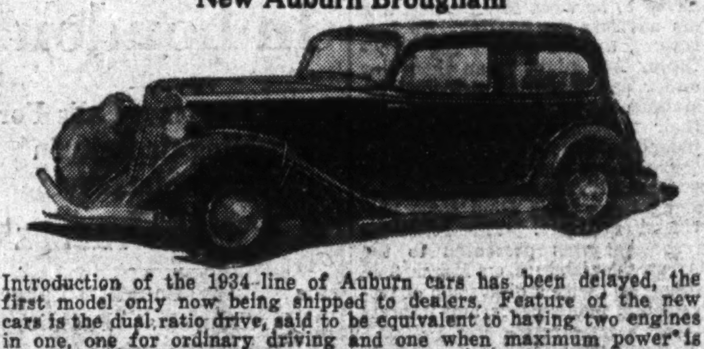
Sales were 6 per cent under the 1932 volume. In addition gross profits were reduced by competitive conditions due to marketing of Turner Valley naphtha at low prices in Alberta and increase in number of refining units in Saskatchewan.

Current liabilities of $2,007,379 exceed current assets by $306,172. In 1932 working capital was $259,764.

## Postal Telegraph & Cable Cuts Losses During 1933

Gross earnings in 1933 of Postal Telegraph & Cable Corp. amounted to $27,693,317 as compared with $27,742,610 in 1932. As operating expenses were lower net earnings in 1933 were $939,744 as against $320,495 in 1932. After all charges and interest there was a loss of $1,866,978 against $2,353,982 in 1932. Better exchange situation enabled the company to transfer foreign balances into United States dollars. Net surplus is now reduced to $2,268,169.

New Auburn Brougham



Introduction of the 1934 line of Auburn cars has been delayed, the first model only now being shipped to dealers. Feature of the new cars is the dual ratio drive, said to be equivalent to having two engines in one, one for ordinary driving and one when maximum power is demanded.

# *Frontenac Bondholders Accept Par for Holdings*

From Our Own Correspondent

MONTREAL.—Holders of the first mortgage bonds of Frontenac Breweries controlled by National Breweries, have accepted the offer of 100 and accrued interest for their holdings. Under the terms of the proposal the $872,900 of bonds will be called for redemption next June 1, when the holders will receive par plus 6 per cent of accumulated interest up to that date.

Frontenac Breweries was incorporated in 1911 to establish a brewery in Montreal. Its capital came largely from French-Canadian and French investors. About 1925 the company engaged in a price-war with National Breweries. The net result of this conflict of interests was the purchase of control of Frontenac by National Breweries. The latter offered $120 a share for both the preferred and common stocks of the former.

In recent years Frontenac Breweries has not been earning its depreciation and bond interest. On December 1 last the company defaulted the half-year interest due on the 6 per cent first mortgage bonds. Last month a notice was sent out calling a meeting of the bondholders to consider a cash settlement along the lines outlined above. As the trust deed calls for redemption of the bonds at 110 and interest, it was necessary for the bondholders to amend the agreement. This was done.

It is generally understood that National Breweries sponsored the offer to pay off the bondholders at par.

# Thomas H. Main Elected President Mortgage Body

Thomas H. Main, vice-president and manager of the Ontario Loan & Debenture Co., London, Ont., has accepted the presidency of the Dominion Mortgage & Investments Association for the year 1934-35. W. Hastie, Canada Life Assurance Co., previously announced as the new president of the association has found it impossible to accept the position but will remain on the executive.

Mr. Main has been a vice-president of the association for several years and has taken keen interest in activities as representative of the chief mortgage lending institutions in Canada the life insurance companies and loan and trust companies.

## Three New Directors For Dominion Stores

Three new directors were added to the board of Dominion Stores Ltd. at the annual meeting held on March 19. The new directors are R. O. Johnston, Montreal; R. C. Murchie, Concord, N.H., and L. L. Vivian, New York City. F. W. Nash, New York, resigned. All officers were re-elected.

The annual meeting was routine in character. The annual statement of the company, as previously reported in The Financial Post, showed net earnings of $1.20 per share on the 282,382 shares outstanding.

## Spring Hardware Trade Best for Some Years

Most wholesalers state the spring trade is very promising, judging by the amount of advance buying there has been. Quantities are larger than they have been for some years and shipments are going forward now in a wide variety of commodities, according to Hardware and Metal, Toronto. There is a particularly heavy demand in sap and syrup making requisites, buckets and spiles being in very heavy demand. Collections are said to be showing some improvement.

Prices show many increases, wire and wire goods quotations being generally higher. Imported goods from Britain are listed higher.

## Quebec Telephone Earnings Lower

Lower revenue and earnings of Quebec Telephone & Power Corp. resulted in a net loss of $9,109 after depreciation but bond interest was covered. Working capital deficiency still exists.

Consolidated Income and Surplus Account Years Ended December 31

| | 1933 $ | 1932 $ |
|---|---|---|
| Revenue: | | |
| Tel. oper. | 129,973 | 147,262 |
| Other revenue | 2,545 | 1,800 |
| Gross revenue | 132,518 | 149,062 |
| Less: Oper. exp. | 83,340 | 88,756 |
| Net earnings | 49,178 | 60,306 |
| Less: Deprec. | 31,811 | 33,275 |
| Bond int. | 14,030 | 14,029 |
| Floating debt. int. | 8,536 | 10,065 |
| Bond dis. amort. | 3,910 | 2,904 |
| Net profit | †9,109 | 32 |
| Add: Prev. surp. | 54,873 | 57,251 |
| Int. of min. sh. | ...... | 3,564 |
| Less: Adjust., etc. | 13,887 | 383 |
| Re-eval. res. | ...... | 2,973 |
| Equity of min. sh. | ...... | 2,619 |
| Balance forward | 31,877 | 54,873 |

† Loss.

Working Capital

| | 1933 $ | 1932 $ |
|---|---|---|
| Current assets | 57,108 | 55,908 |
| Current liabilities | 142,363 | 163,047 |
| Working capital* | 85,255 | 107,139 |
| Ratio | 0.40—1 | 0.34—1 |

* Excess of current liabilities over current assets.

## Canada Packers' Arrears On Preference All Paid

Canada Packers preference shares, with arrears entirely cleared away by the declaration of $3.50 a share payable April 2, will thereafter be on the regular basis of $7 a share, payable quarterly. The company's success in clearing away these arrears exceeding $10 a share in 1933 and 1934 is one of the events of the depression.

## Easy Washing Machine Co. To Make Ironing Machines

Easy Washing Machine Co., Toronto, has arranged with a large United States concern to manufacture electric ironing machines for Canadian and export markets. F. C. Dynes, general manager, states this will bring present equipment up to production capacity.

Sales are reported excellent for first quarter of 1934 and in the first half of March to exceed all March of 1933.

# LAPRAIRIE CO. LIMITS LOSSES FOR LAST YEAR

## Limited Building Operations Tend to Hold Down Earnings

From Our Own Correspondent

MONTREAL.—Laprairie Co., a subsidiary of Cooksville Co., experienced another off season in 1933, the demand for bricks and other products of the company being of such limited proportions that an operating deficit of $20,562 was experienced. This was not as bad as in the previous year, however, when the company had an operating loss of $19,315 for the last five months only.

An improvement in the company's business took place during the summer and early autumn, but the exceptionally severe weather conditions in November and December seriously retarded outdoor construction. The No. 5 plant at Delson was operated for five and a half months, while the No. 1 plant at Laprairie was open for four months.

Income and Surplus Account

| | Year 1933 $ | 5 Months *1932 $ |
|---|---|---|
| Oper. loss | 20,562 | 19,315 |
| Bank interest | 21,015 | 7,286 |
| Net loss | 41,578 | 26,601 |
| Cap. surplus b.f. | †623,368 | 656,959 |
| Surplus c.f. | 581,788 | 630,357 |

* Five-month period August-December.
† After adjustments.

Working capital position compares as follows:

| | 1933 $ | 1932 $ |
|---|---|---|
| Curr. assets | 247,208 | 251,229 |
| Curr. liabs. | 396,912 | 382,074 |
| Work. cap. | †149,704 | †131,845 |

† Excess of current liabilities over current assets.

### Bank Loans Higher

Laprairie Co.'s balance as at last December 31 shows assets totalling $3,541,201 compared with $3,575,932 at the close of 1932. Current accounts payable are somewhat lower, but bank loans increased from $348,000 to $369,000. Changes in the issued capital stock and other liabilities are few and unimportant.

Among the assets cash on hand shows an increase from $13,397 to $22,820. Accounts receivable at $18,880 have been reduced nearly one-half. Inventories remain about the same, while prepaid charges are slightly higher.

# GEORGE WESTON PLANS TWO NEW LARGE PLANTS

(Continued from page 1)

Chicago, are the real reasons why George Weston, Ltd., has a lower overhead than any of its chief competitors. This low overhead explains why Weston Biscuit Company has been able so completely to realize President Roosevelt's ideals for the industry and to make a profit at prices well under those quoted by the industry as a whole.

### Only Scratched Surface

One of the larger shareholders of the company who has carefully studied the monthly sales and profits of the company for three years back expressed the opinion to the representative of The Financial Post that the company has as yet only scratched the surface of its possibilities in the United States. When his attention was drawn to the giant organizations already in the field with many millions of dollars in ready funds and huge aggregations of capital invested in plant, equipment and inventory, he apparently was not impressed. He argued that for a decade at least a smaller company, well managed and with a quality product, could keep its overhead and other costs under those of the very large companies, no matter how well managed these might be or how strong financially. He asserted that all over the United States small companies, which are competently run and which have sufficient liquid resources, are showing what enterprise can do with a company not too large to handle.

This shareholder also has studied the chain store situation, the demand from retail grocers, from wholesale companies and from jobbers in the eastern States and he believes that the present prosperity of the company is far more than a flash in the pan. He was convinced, he said, that it was solidly based and that on the same lines which had brought the present success it should be possible to build up the United States business to many times the present volume. He also felt that the present arrangements for opening a factory near Chicago had a similar chance of success. Biscuits from the Passaic factory are already being marketed in Chicago and vicinity and the company would start there with a good nucleus business. He felt that it was too soon under present conditions to establish a factory on the Pacific coast.

The extraordinary thing about the experience of George Weston, Ltd., in 1933 was that every department of the company in three countries was successful. In Canada the bread company, George Weston Bread and Cakes, the candy company, Wm. Paterson, Ltd., of Brantford, Ont., The "English Quality" biscuit plant on St. Peter Street run directly by George Weston, Ltd., and even the Independent Biscuit Company of Calgary in spite of the extreme depression in the Prairie Provinces, were and are making profits. In England the Aberdeen business bought from Mitchell and Muil of Aberdeen has made a profit from the first month and already the business done makes the president and the other executives confident that the Edinburgh factory, modern in all its appointments, will continue and extend the success already made. So sure are they of this that arrangements are already under way for a similar factory at London, England. In 1933 profits of Geo. Weston were doubled. On the basis of operations to date, it would not be surprising if the company were able to repeat the performance in 1934.

### Can Double Passaic Output

There is still room in the Passaic plant to double present production. The enterprise did have anxious times in 1931 and 1932. It was a new venture and it was necessary to get a certain volume before costs and overhead per unit could be brought down to a point which allowed a profit. But month after month, with some variation for seasonal influences, volume has been creeping up and the losses experienced at first got smaller until even in January and February of 1933, the two most competitive months in the biscuit business, profits were shown. The process of growth continued throughout 1933 until in January and February, 1934, the volume was nearly three times what it was when the factory first began to make a profit a year earlier. In March, sales and output have had an even more encouraging advance.

The only halt, and that was a temporary one, in the tendency to increased profits on increased volume was last summer when N. R. A. went first into effect. Profits dropped in August because N. R. A. provisions increased the cost three-quarters of a cent per pound. It applied to every competitor in the industry as well, however. In one item alone the processing tax of July 9 changed the situation so that instead of spending $3 to $3.25 a barrel for flour, the company had to add $1.38 a barrel.

### Canadians Inspect Plant

It took several hours for the Canadian party of inspection to cover the multitudinous operations conducted in all departments of the Passaic plant. Everywhere there were bustle and activity. The attention was engrossed by a continuous procession of needed raw materials to the various types of mixers in the busy mixing room to form dough and cream and even more in the great bake room by the seemingly endless trek of great sheets of dough, passing without halt and without rest through embossing and rotary machines and reappearing as countless bits of embossed dough in biscuit shapes and sizes still moving on with undiminished speed into long lines of furnaces and thence as the biscuits through long lines of conveyors until packed neatly in a varied assortment of packages and containers for the markets showing increasing interest in these products. There were stacking machines, enrobing machines, coolers, stitching machines, creaming machines and package making machines all working constantly to fulfill their part in the general plan.

The bake room is the most important and the most interesting floor in the whole building. The new machines seem almost to think but human hands could not show one per cent of the efficiency of the machines. How could they deal with the constantly arriving dough which is taken up by machines, spread into great sheets that pass through embossing and rotary machines to be stamped out in required sizes and then passed along in serried ranks like an advancing army on a continuous passage to and through gas fired chain and band ovens. There is one gas-fired chain oven three pans wide, 50 feet long with conveyor extension 20 feet long. That represented the beginning of this enterprise. To it was added another gas-fired chain over four pans wide, 60 feet long with conveyor extension 50 feet long.

The piece de resistance is, however, the gas-fired band oven, three bands wide, 90 feet long with band extension of 75 feet. It is the very latest in biscuit making equipment. In this oven, there are no pans and through it are passed those biscuits which sell in the largest quantities and whose making it is important to have as cheap as possible. From entrance to exit the progress of the biscuits through the oven can be watched through port holes and in the oven lights are turned off and on and temperatures regulated to the exact degree wanted.

W. Garfield Weston's idea, which put George Weston over in Canada in a bigger way than ever in the last 10 years, that is, the featuring of English quality biscuits, is also being hammered at in the United States. The words "English Quality" and "Weston" appear on every package and are embossed on every biscuit. They are all specialty lines, clustering around that central idea of "English Quality," and the idea apparently is taking on. The very largeness of the market enhances the reputation of the biscuits as salesmen report that in store after store where the biscuits are placed, they are cleared out within a week, or at the most two weeks, so that supplies sold are being continuously replaced by supplies fresh from the factory.

Head Office Montreal

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# BORDEN CO. SALES DECLINED IN 1933

## Burdensome Milk Surplus Created Worst Situation Ever Known

Consolidated financial statement of Borden Co. and all subsidiaries shows decline in sales from $212,348,871 to $186,301,203 and in net profit from $1.71 a share in 1932 to $1.05 a share in 1933. Working capital advanced during the year from $39,726,942 to $41,445,809 and ratio of current assets to current liabilities now 4.80 to 1 as compared with 4.72 to 1 a year earlier.

No reference is made to experience of Canadian subsidiaries whose earnings and assets are included in the totals. However, the report of Arthur W. Milburn, chief executive, does state that "foreign exchange values in countries in which we have capital employed were on a par or better at the end of the year." As a consequence the foreign exchange reserve of $854,263 was returned intact to surplus.

Collections generally are still reported as unsatisfactory. Chief troubles in the year were stated to be the lack of control of surplus raw milk production by which most of the distributing companies "resulting in the most chaotic and altogether unsatisfactory situation with which the milk distributing industry has ever had to cope."

*We recommend*

PROVINCE OF NOVA SCOTIA

4½% Sinking Fund Debentures

due May 15, 1961

Principal and semi-annual interest payable Canada and New York.

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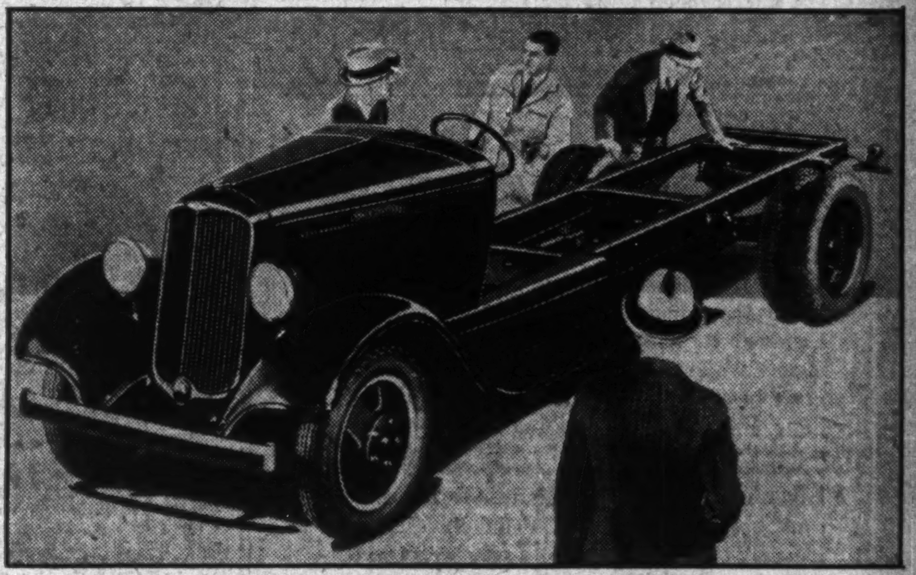

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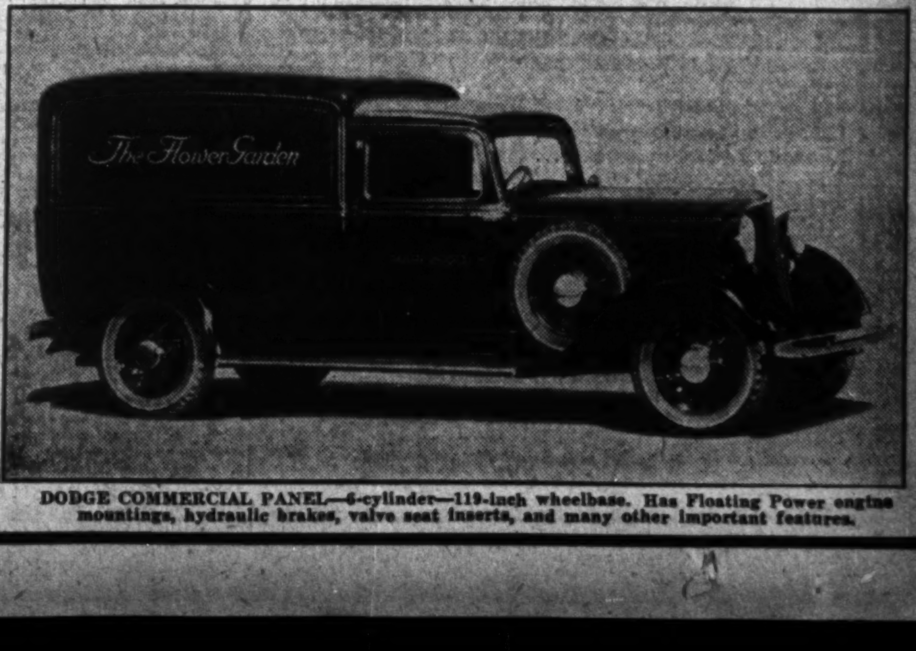
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DODGE COMMERCIAL PANEL—6-cylinder—119-inch wheelbase. Has Floating Power engine mountings, hydraulic brakes, valve seat inserts, and many other important features.

# ASBESTOS CORP. CONVERTS LOSS TO PROFIT IN '33

## Deficit After All Charges Less Than Half of 1932 Total

## MINE BETTERMENT

## Recovery of Fibre Undergoes Marked Improvement — Demand is More Encouraging

From Our Own Correspondent

MONTREAL. — Asbestos Corp. reports an operating profit in 1933 of $98,259 compared with a loss of $396,664 in 1932.

In the report to shareholders it is pointed out that while business continued to go off steadily for the first three months, and operations for the first six months had to be on a month-to-month basis, there was a substantial increase for the last six months, with the result that total shipments for the year were almost double those of 1932.

### Better Operating Results

The tonnage of fibre produced last year was 49.5 per cent more than in 1932, while the tonnage of rock milled was 2.2 per cent less. The average cost per ton of fibre was reduced by 22.66%, while the average sales value per ton of fibre produced showed an increase of 11 per cent. The fibre recovery per ton of rock mined showed an increase of 52.7 per cent.

Following are comparative figures on the income account for 1933 and 1932, together with a résumé of the company's working capital position.

| | 1933<br>$ | 1932<br>$ |
|---|---|---|
| Earnings | cr.98,259 | dr.396,664 |
| Less: Bond interest | 189,068 | 189,713 |
| Debit-balance | 90,809 | 586,377 |
| Depreciation | 204,578 | 125,000 |
| | 295,387 | 711,377 |
| **Working Capital** | | |
| Current assets | 1,004,164 | 1,052,398 |
| Current liabs. | 534,390 | 706,416 |
| | 469,774 | 345,892 |

Following upon the marked gain in the company's operations during the last half of the year, the balance sheet as at December 31 last shows an improvement over that reported on the same date a year ago. Bank loans have been reduced from $450,000 to $275,000. Underlying bonds on property in the hands of the public have been reduced by over $7,000 to $735,079. No change has taken place in the outstanding amount of general mortgage bonds, while the amount of sinking fund payment due to the trustees for underlying bonds was increased from $111,414 to $163,884.

During the year, the issued share capital of the company showed an increase from 113,586 to 135,390 shares. Of the additional shares, 11,804 were allotted and issued in payment of interest on general mortgage bonds at the rate of five shares per annum for each $1,000 principal amount of bonds. The balance of 10,000 shares is to be allotted and issued in trust for services under agreement with the managing director, dated October 11, 1933, covering the years 1933 to 1936.

### Reflect Better Business

The principal changes among assets are substantial advance in accounts receivable and a reduction in the vaue of inventories. The former increased during the year from $179,650 to $371,328. Inventories of asbestos declined from $484,695 to $283,647. There was little change in the value of materials and supplies on hand.

In his report to the shareholders, Robert F. Massie, president, had the following to say in part:

"There was a noticeable increase in the demand from Europe and if the improvement in business there continues, your corporation should recover many of its former customers who had difficulty in purchasing asbestos in Canada owing to adverse rates of exchange.

"A careful plan of operations for the coming year has been mapped out, based on the volume of business, and your directors look forward with confidence to the ultimate outcome.

"Under the terms of the trust deed of the general mortgage 6 per cent income bonds, payment of interest up to and including January 1, 1934, has been made by the issuance of shares. Thereafter, payment depends on the net earnings of each six months period, but before interest can be paid on the general mortgage bonds the arrears of interest and sinking fund on the underlying bonds will have to be taken care of. The July-December, 1933, period was most satisfactory, but at the same time, attention is called to the fact that sales for the first six-month periods for the past two years have been low, and your directors do not feel sufficiently assured as to the future to give, at this time, any information as to when payment of interest on the general mortgage bonds will start."

# *Low Charges Stimulate Demand For Electricity, Says Bureau Survey*

From Our Own Correspondent

MONTREAL.—Per capita domestic consumption of electricity in Manitoba is higher than that in any other province, while the average cost per kilowatt hour in the same province was the lowest in the Dominion for 1932, according to returns prepared and just released by the Dominion Bureau of Statistics in collaboration with the Dominion Water Power and Hydrometric Bureau.

The following table, prepared by the Bureau, brings together and analyzes the domestic service data for each province. The concentration of population in the cities, towns and villages having electric service would affect the number of customers, the number per 100 population, ratios of consumption to total provincial consumption and to the domestic consumption of Canada. The price would affect consumption, average bill, average cost per kilowatt hour and, to a lesser degree, the number of customers. The habits and customs of the people would also have an effect on the consumption.

### More Customers in B. C.

British Columbia ranked first in density of customers, Ontario was second and Quebec third.

The annual average bills for domestic service were remarkably close together in all provinces, especially in view of the large difference in consumption costs per kw.h.

### Low Rates Helpful

This indicates that with adequate supply, low rates greatly induce increased consumption.

### Cause for Low Rate

Manitoba showed by far the lowest average cost per kw.h. and the largest consumption per customer and per capita. These were largely affected by the flat rate for water heaters in Winnipeg, which increases the consumption and reduces the average cost per kw.h. The effect of flat rates should always be analyzed when comparing costs. The general effect is to greatly increase consumption and reduce average costs per kw.h., although the peak demand on the power house might even be reduced.

### Many Factors Present

In view of the many and varied factors affecting domestic service consumption and rates, it is not possible to say offhand which province secures its domestic electric supply at the lowest cost. Before arriving at a definite conclusion, it would be necessary to make an exhaustive analysis of the facts bearing upon consumption, supply of electricity and other items which enter into the cost of electricity. The accompanying table, however, is of interest in that it shows relatively the domestic service situation in the nine provinces.

DOMESTIC SERVICE
1932

| Province: | Number of Customers Total | Number of Customers Per 1,000 Population | Average Bill (for year) $ | Average Per Kilowatt hour c. | Average Per Customer kw. hr. | Annual Consumption Per Capita k. hr. | Cons. by Domestic Service Per cent of total Provincial Consumption | Cons. by Domestic Service Per cent of Dominion Consumption |
|---|---|---|---|---|---|---|---|---|
| Prince Edward Island | 3,978 | 4.52 | 32.64 | 8.67 | 377 | 17 | 32.1 | 0.1 |
| Nova Scotia | 46,421 | 9.05 | 25.88 | 5.66 | 457 | 41 | 7.6 | 1.3 |
| New Brunswick | 35,542 | 8.69 | 27.33 | 5.05 | 541 | 47 | 4.6 | 1.2 |
| Quebec | 385,211 | 13.26 | 21.31 | 3.43 | 621 | 82 | 3.5 | 14.6 |
| Ontario | 585,343 | 16.92 | 27.63 | 1.77 | 1,558 | 262 | 17.4 | 55.6 |
| Manitoba | 71,954 | 10.21 | 39.93 | 1.06 | 3,756 | 381 | 24.9 | 16.5 |
| Saskatchewan | 44,952 | 4.63 | 40.10 | 4.99 | 804 | 39 | 26.6 | 2.2 |
| Alberta | 57,459 | 7.76 | 29.84 | 5.76 | 518 | 40 | 15.1 | 1.8 |
| British Columbia and Yukon | 126,601 | 17.88 | 26.45 | 3.04 | 870 | 156 | 9.4 | 6.7 |
| CANADA | 1,357,462 | 12.92 | 26.83 | 2.22 | 1,208 | 156 | 10.7 | 100.0 |

# PORTO RICO POWER ELECTRIC CHARGE MEETS OPPOSITION

## Small Organized Group Push Plans for Boycott in San Juan

From Our Own Correspondent

MONTREAL.—Dispatches from Porto Rico report that residents of San Juan have instituted a consumers' boycott against the Porto Rico Power Co., a subsidiary of International Power Co.

The Public Service Commission of Porto Rico is holding hearings to determine new rates. The boycott group demand elimination of deposits when electricity is turned on, no minimum rate, and at least a 25 per cent cut in rates.

### Movement Spreads

Early reports are to the effect that the boycott began ineffectively, but as the fear of vandalism spread, only the best residential section of San Juan now continues to be lighted by electricity.

A small organized group behind the movement has sent representatives to various commercial consumers and householders, asking them to join the boycott, warning them they would not be responsible for what happens otherwise.

# THRIFT STORES SHARE EARNINGS MOVE FORWARD

From Our Own Correspondent

MONTREAL. — Thrift Stores Ltd. report a net profit for the three-quarters period ending January 6, 1934, available for dividends after provision for income tax, of $41,527. This compares with $40,722 for the corresponding period last year.

In the preceding quarterly statements, the company had not deducted income taxes from reported earnings, but this method has been changed, provision for income taxes now being made. Payment on this account for the past nine months period amounting to $6,760.

### Share Earnings Higher

After meeting first and second preferred dividends for the nine months ended January 6th last, the balance available for the common stock was $18,518, equivalent to 92½ cents per share as against $17,646 or 88 cents per share on the same basis for the previous year.

Sales for the three-quarter period ending January 6, amounted to $3,525,249, compared with $3,312,983, being an increase of $212,266. The company is now operating 75 stores as against 71 stores during the same period last year.

Industry Advances

SUSTAINED improvement in business is revealed in the annual reports for 1933 of leading Canadian corporations. These reports have shown, almost without exception, substantial improvement in earnings, with the indication that still better results may be expected in 1934.

The trend noted in these reports, covering such important industries as public utilities, paper, steel, construction and mining, definitely establishes recovery on a broad scale and provides an encouraging background for security markets.

The following is a list of bonds, the interest on which is earned by a good margin, and which offer a safe medium for investment:

| *Security* | *Rate* | *Maturity* | *Approx. Yield* |
|---|---|---|---|
| Canada Northern Power Corp. | 5% | 1953 | 5.25 |
| Gatineau Power Company | 5% | 1956 | 5.47 |
| McColl Frontenac Oil Co. | 6% | 1949 | 5.80 |
| Shawinigan Water & Power Co. | 5% | 1970 | 5.12 |

*Full information regarding any of these issues will be sent upon request.*

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# Mass Buying Enquiry

## Retail Association Representatives Continue Attack on Chain and Department Store Selling Methods — Stevens Cautions Witnesses in Use of Names

Government investigators armed with all the powers of personal Royal Commissioners, are busy investigating four specific industries as a result of evidence given before the Stevens mass buying probe in recent weeks.

The four groups now being investigated are: furniture, meat packing, department stores and garment trades.

Another investigator is shortly to be appointed for the chain stores, it is understood, while if present expectations are realized an additional investigator may be appointed by the committee to probe the tobacco business. A special committee of the Ontario legislature interviewed Hon. H. H. Stevens on this matter during the current week.

### Regret Laver Evidence

While it is hoped to put in the committee's records further evidence of sweat-shop labor, it is now admitted generally, (and the admission is said to have been made privately by key members of the committee) that it was a serious mistake ever to have permitted Toronto's Relief Commissioner Laver to have put in the records a great deal of second-hand information about individual cases of low wages in Toronto. The committee has sufficient powers to get first-hand information on this subject without taking publicly inaccurate "evidence" of the kind Mr. Laver presented. By permitting this evidence to be filed, the committee started off with a reputation for injudicial and muck-raking methods that, it is now realized, it may have some difficulty living down. As a result, a great many business men, who had planned to present evidence to the committee in an endeavor to help it find solutions for some of the merchandising problems of today, may decide not to appear. They are afraid that if they come to Ottawa they will be made the target for pointed political attack.

The fate which befell J. Stanley McLean, president of Canada Packers, when he appeared before the committee voluntarily to give evidence regarding wages, warned many other business men that it might be the lesser of two evils to ignore any evidence given against them. But the committee is now apparently trying to undo the harm it has done itself. Hearsay and muck-raking evidence is being restrained and where concerns are named in briefs, their names are being left out and letters of the alphabet substituted.

The Financial Post continues its chronological summary of the evidence:

### Chain Store Association

**George H. Hougham**, who had appeared before the committee on the previous day appeared again on March 9 in order that he might table a letter which had come into his possession in connection with the activities of the Canadian Chain Store Association. This letter was reported to be a confidential one to members of the association in which the secretary set forth the aims of the group. These were stated to be: to win public goodwill for the chain store principle and on specific occasions to combat unfavorable or unreasonable legislative proposals.

### Attacks Excessive Discounts

**A. E. Grassby**, an independent retailer of Winnipeg and a member of the Manitoba branch of the Retail Merchants Association of Canada, also called March 9. Witness tabled memoranda from the different trade sections of the R. M. A. covering what was described as a small proportion of flagrant cases. He stated that the first complaint which they had was in regard to excessive and illegitimate discounts allegedly given by manufacturers to larger stores.

Cost of collection from the individual retailers may be a fraction of one per cent higher than on goods sold to the large stores, he said, but a discount of two per cent for cash should be ample instead of the all too common five, ten, twenty, twenty-five per cent and more.

Discounts to department stores were often greater than those given to wholesalers. It was witness' opinion that in no case should any retailer be given a discount as great as, let alone more than, a wholesaler receives as the latter supplies the trade and fills a long established and necessary niche in commerce. The manufacturer should be required to file his rate of discount, he thought. Witness stated that department stores religiously maintained the prices on their own brand and cut prices on nationally known lines.

### Wants Price Control Board

Witness advocated a consumer price control broad for Canada so as to eliminate the disastrous price cutting in stable articles. Witness stated that everyone with experience of the old Victor, Edison and Columbia phonograph and record price maintenance agreement cheerfully testified to its enormous contribution to ethical merchandising. Under the agreement, dealers were not allowed to cut the price of phonographs by even $1.

Surplus stocks of any goods should be handled through the trade association so as not to disrupt the consumers' market, the witness said.

Witness would limit the number of factories in certain lines of industry. He felt that permits should be necessary before the manufacturer could commence business in any line.

### Bread Prices Quoted

**C. C. Falconer**, hardware retailer of Winnipeg was the next witness called on March 9. Witness stated figures to show the inroads made by use of bread as a loss leader in stores in Winnipeg. He stated that the weekly consumption of bread in Winnipeg was 900,000 lbs. and of this 175,000 lbs. was now sold by chain stores as loss leaders.

Witness stated that in one instance females in a correctional institution had been used to make ladies' waists and mattresses for a department store. These workers were not paid in any way for the work done.

Mr. Falconer dealt at length with the question of indefinite weight selling. He stated that it was common knowledge that chain and department stores sold commodities which were under weight. Questioned he admitted that he did not have any proof of this condition.

### Unfair Printing Competition

Witness stated that the printing trade in Winnipeg was suffering severely by the fact that department stores with their own printing plants were producing their advertisements and mail order catalogues were taking outside work at cut rate prices in order to keep their plants going. In an attempt to combat this evil the Winnipeg Graphic Arts Council has been organized.

He tabled a brief from the Manitoba Electrical Association. Some of the alleged unfair competition which was included in this brief were stated to be: washing machines sold at prices that no dealer could purchase; fittings and lamps sold as loss leaders; time payment sales without interest; trade-in values in excess of actual value.

### Chains Disrupt Business

**W. L. McQuarrie**, secretary of the Saskatchewan Division of the Retail Merchants' Association was the next witness on March 9. Witness stated that the Saskatchewan association had 2,300 members although they were not at any one time all paid up. In Saskatchewan there were 10,728 retail stores witness stated of which about 5,000 could be classed as small one man stores. He thought, therefore, that the association could speak fairly well for the retailer in Saskatchewan.

Witness stated that the buying advantage which the chain stores and department stores had over independent retailers and the use of the loss leaders was such that the average purchaser had an impression that all values offered in chain and department stores were better than the independents. He stated that chain store organizations and mail order stores in the East which paid no taxes to Saskatchewan were taking entirely too much money out of the province to the detriment of everyone therein.

Use of inexpert help was attacked by the witness. He stated that department and chain stores employed girls in the hardware sections who did not have any idea of the merits of the goods they were selling.

### Provincial Fair Plain

Mr. McQuarrie stated that in Saskatchewan it is the intention of the provincial government to enact legislation whereby all retail outlets will be licensed, which license will be subject to suspension or cancellation for selling below invoice delivered cost or current market delivered cost plus a minimum percentage representing compensation to the merchant, excluding cost of operation; also for misrepresentation in advertising.

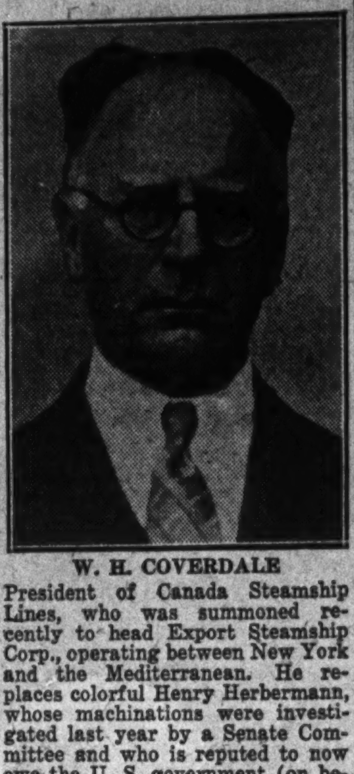
Questioned by Mr. Ilsley, witness stated that he could not support the view of a previous witness that all merchants should be forced to charge the same price.

Witness quoted many instances of department and chain stores selling goods below cost direct from the manufacturer.

### Brief From P. E. I.

Mr. Sommerville, introduced a brief from the Charlottetown, P.E.I., Board of Trade attacking the encroachment of mail order houses and chain stores upon established business. This brief contained a number of specific instances of standard nationally advertised goods being offered by chain stores in Prince Edward Island at prices lower than retailers could obtain the same goods from manufacturers or jobbers.

Heads U. S. Company



W. H. COVERDALE

President of Canada Steamship Lines, who was summoned recently to head Export Steamship Corp., operating between New York and the Mediterranean. He replaces colorful Henry Herbermann, whose machinations were investigated last year by a Senate Committee and who is reputed to now owe the U. S. government (on behalf of his firm) some $8,000,000, of which $1,200,000 is past due. Mr. Herbermann is relegated to the job of vice-president and to cooperate with the new management in paying off the loans he contracted.

### Chairman Cautions Witnesses

At the opening of the hearing on March 14, the Chairman, Hon. H. H. Stevens urged witnesses to confine themselves as far as possible in their statements to questions of personal knowledge and to statements supported by evidence, to refrain from merely expressing opinions and most particularly so when referring to any business concern. Furthermore, he said, the names of business concerns ought not to be mentioned in connection with any statement unless the statement is made from personal knowledge or can be supported by evidence.

**Alexander C. MacKay**, secretary of the Alberta Retail Merchants' Association brought to the attention of the Committee that approximately the same number of persons were employed in retailing, wholesaling and manufacturing as were employed in agriculture, stating that he felt that a little more should be done for this large group. He pointed out that retailers in the Province of Alberta had on their books over $40,000,000 of accounts, outside of the cities of Calgary and Edmonton, and that of this amount a large proportion was credit to farmers. Questioned regarding this amount of $40,000,000 the witness stated that it referred to and represented accounts on the books of between 5,000 and 6,000 retailers. Some of these accounts, he said, go back about six years.

The witness gave as his opinion that the days of the independent retail merchants were numbered unless special purchase facilities obtained by the departmental stores and the mail order institutions were discontinued.

### Says Competition Unfair

Witness instanced occasions in which a large store was able to sell ham at 18 cents a pound where the average retailer was paying 19 cents to the packers for his goods. This was being done by a volume discount of one-half cent a pound and by a demonstration allowance given to the large store which paid the salary of the girl selling and a portion of the advertisements.

That is the form of competition that we can't beat, he said.

Witness stated that departmental stores and chain stores could buy direct from the manufacturer at jobbers' prices because they were recognized as jobbers. The small retailer could not obtain this benefit and even if he purchased direct from the manufacturer he had to pay the same price as would be paid to a jobber.

Witness filed a statement of 14 items advertised by chain stores at special prices below wholesale costs. These included sugar selling for $5.80 per cwt., against a wholesale cost of $7.21 and a registered brand of coffee selling for 35 cents a lb., as against 35½ cents wholesale cost.

### Bread as Loss-leader

Use of bread as the "loss-leader" in Red Deer was referred to by the witness. Chain stores offered bread in Red Deer during 1933 at as low as 2 cents a loaf against the local bakers' price of 7½ cents a loaf. Regular chain store prices were between five and six cents a loaf.

Department and chain stores do not sell at lower prices than independent retailers on an average the witness stated. In his opinion the chain organizations used loss-leaders to bring the people to their stores and obtained their profit from other goods sold to those persons who originally went to buy the advertised article.

### Nova Scotia's Problems

**J. Cuthbertson Doyle**, Secretary of the Nova Scotia Retail Merchants' Association appeared before the committee on March 15. Witness stated that on receipt of the telegram from the committee inviting him to appear he sent a questionnaire to a number of representative retail merchants in the province of Nova Scotia. This questionnaire requested the merchant's views on mass buying practices and effect on business, community life and the consumer and asked for suggestions to remedy or correct these unethical practices.

He quoted certain replies received. "Mass merchandising has resulted in compelling the independent retailer to sell staple merchandise only and drop many specialties on which the larger profits are realized. The staple merchandise sold is at a margin of profit scarcely sufficient to take care of overhead. The effect on the consumer was that because the chain store could sell some goods at considerably lower prices than the local store, then the local store was charging too much for all its goods offered."

The witness was asked to give a description of retail business in Nova Scotia and how many department stores were doing business there. He stated that both the T. Eaton Co. and the Robt. Simpson Co. were active in the province. The former also owned a chain of stores known as the Canadian Stores. These Canadian Stores were generally chiefly engaged in the grocery and meat trade but maintained a clerk to handle orders for other types of merchandise bought through the mail order catalogue of the T. Eaton Co.

### Explains Insurance Scheme

Witness stated that there were a number of independent chains operating throughout the province whereby a group of retailers pooled their interests in order to obtain better prices and advertising appropriation.

Witness stated that he did not think that department stores would have been able to build up the business that they have, had it not been for the "loss-leader" system.

Witness was questioned by Mr. Senn regarding the Retail Merchants' Underwriting Agency. He stated there was no such concern but of course the Retail Merchants' Association had an insurance department. This, he said, was purely a service covered by the Northwestern Mutual Fire. If a merchant's risk could measure up to standard, he participated. Insurance was not placed through the ordinary insurance agent in the local town. In fact, Mr. Doyle stated that he was the provincial manager for the Northwestern Mutual Fire.

Mr. Senn suggested that by taking insurance business away from the local agent, the Retail Merchants' Association was purchasing its insurance by the mass buying route in the same way as the department store was purchasing its goods.

### District Loses Through Mail Order

Witness stated that one of the worst effects of mail order and department store buying was that the community dollar was taken from the district. The only part of the dollar remaining was that appropriated for expenses and upkeep of department stores and mail order centres.

All that the independent retailer wished was that he would be permitted to buy merchandise on the same basis as departmental and chain stores, according to the witness.

**Summerside, P.E.I., Board of Trade** then submitted another brief which was introduced by Mr. Sommerville. It dealt chiefly with mail order catalogues and instanced the price of tires. It showed that the catalogue price of tires was considerable below that at which dealers on the Island could sell.

As the mail order houses did not pay any taxes nor contribute in any way to the upkeep of Prince Edward Island, the Board of Trade felt that something should be done to restrict their activities.

### Misleading the Public

**George R. Matthews**, secretary of the British Columbia Retail Merchants' Association, appeared before the Committee on March 15th. Witness stated that his association was not asking for the elimination of the chain and department stores but were seeking from the provincial and federal government such legislation as would eliminate unfair practices whether they referred to chains, department stores, or independent retailers. He referred to the advertising of loss-leaders as one of the outstanding practices for the purpose of misleading the buying public.

Witness filed a number of exhibits giving examples of loss-leaders advertised by the large stores in Vancouver, showing that the prices offered at retail were less than wholesale cost. One instance of a jeweller finding that a pattern of silverware which he had thought was protected was being sold in a department store at considerably less than cost, was quoted by the witness.

Another instance was that of the one cent sale in shoes in which a chain concern in Vancouver offered shoes at $3.95 a pair with an extra pair for one cent.

### Wholesalers Selling at Retail

Witness quoted an instance in which the employee of a large concern was able to buy paint at wholesale prices at the factory. One of the greatest evils existing in the hardware business in British Columbia is the unfair competition created by wholesalers selling at retail to customers, he said.

Witness stated that in the opinion of the retailer of the province, the following have contributed very largely to present very unsatisfactory conditions:

1. Fraudulent and misleading advertising, and "going out of business" sales.
2. Advertising of loss-leaders.
3. Premiums, secret rebates and advertising allowances.
4. Mail order houses not being required to pay a tax.
5. Wholesalers selling to consumers.
6. Wholesale owned retail stores.
7. Power companies using profits from power to make up loss on their retail establishments.
8. The Anti-Combines Act in its present form being capable of unfair interpretation.

Witness closed his evidence by giving a summary of voluntary fair trade practice codes agreed upon by merchants in Trail, Nelson, Cranbrook, Chilliwack, Mission, Cloverdale, Langley, Prairie, Ladner and Vancouver, B.C.

## Public Utility Earnings

Southern Canada Power

| | 1934<br>$ | 1933<br>$ | Inc.<br>$ |
|---|---|---|---|
| February | | | |
| Gross | 186,234 | 173,032 | 13,202 |
| Expenses | 67,010 | 60,670 | 6,340 |
| Net | 119,223 | 112,362 | 6,861 |
| | 1934<br>$ | 1933<br>$ | Inc.<br>$ |
| Five Months | | | |
| Gross | 932,888 | 930,212 | 2,676 |
| Expenses | 334,113 | 317,036 | 17,077 |
| | $ | $ | $ |
| Net | 598,775 | 613,177 | *14,401 |

Provincial Bonds To Yield 5.54%

Province of Saskatchewan
4½% Bonds due October 1st, 1951

Principal and half-yearly interest payable in Canada and New York.

Price: 88.50 and interest, to yield 5.54%

These bonds offer an attractive income return in view of the trend toward lower interest rates. Confidence in Canadian provincial bonds has been strengthened by the policy of co-operation adopted by the Provincial Premiers at the Ottawa Conference in January.

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WHEN YOU SUDDENLY REALIZE IT'S HER BIRTHDAY ... AND YOU CAN'T TELL HER YOU FORGOT IT ... AND YOU'RE MILES APART

Get to a telephone ... a Long Distance call will make both of you happy.

For forgetful husbands, and anybody else, the telephone is always ready. A Long Distance call now is as simple and easy as talking across the street. Look in the front of your directory and see how low the rates are—100 miles or so for as little as 30 cents.

BELL TELEPHONE COMPANY OF CANADA

# News of Investment Markets

## SWEEPING RISE IN BOND PRICES PAST 3 MONTHS

### Quebec Borrows at 4.04%, Lowest Rate in Over 20 Years

A sweeping advance has characterized Canadian bond markets in the first quarter of 1934, now drawing to a close. The advance has been enjoyed by every class of bonds, Dominion, provincial, municipal and corporation issues. As a result of this improvement the Province of Quebec this week was able to sell $7,700,000 of four per cent debentures to cost the city only 4.04 per cent, believed to be the lowest borrowing rate for any province in over 20 years.

Sharp advances in corporation issues are taken to indicate recovery of general business conditions. Improved prices for gilt-edged bonds are taken to mean that interest rates in Canada are striving to follow the downward movement in other countries of the Empire and cheap money in New York.

Back in 1913 Dominion three per cent bonds yielded about 3.6 per cent. In 1934, four per cent loans are offered at prices to yield about 3.95 per cent. The sharp decline of interest rates, as prices rose, since the first of the year is indicated below:

**Average Yield on Seven High-Grade Canadian Bonds**

| | % | | % |
|---|---|---|---|
| March 20 ..... | 4.106 | Mar. 14 ..... | 4.088 |
| March 19 ..... | 4.109 | Mar. 13 ..... | 4.117 |
| March 17 ..... | 4.087 | Feb. 28 ..... | 4.270 |
| March 16 ..... | 4.093 | Jan. 31 ..... | 4.427 |
| March 15 ..... | 4.083 | Jan. 2 ..... | 4.517 |

### Broad Advance Shown

The confusion of movements from week to week obscures the general advance since the first of the year in the whole bond market. Since Dec. 30, 1933, the net advance in the bid for C. P. R. 5's of 1954 has been 20 points. How wide the advances have been is shown by the following representative list of active issues:

**Changes in Prices Asked for Active Canadian Bonds in First Quarter, 1934**

| Issue: | Price Mar. 20 | Price Dec. 30 | Change |
|---|---|---|---|
| Dominion 4's '52 .... | 100½ | 95¼ | +5¼ |
| Dominion 4½'s '59 .. | 104 | 99½ | +4½ |
| *Ontario 4's '62 ..... | 99 | 92¾ | +6¼ |
| Quebec 4¼'s '58 ..... | 102¼ | 96½ | +5¾ |
| N. B. 5's '63 ........ | 105 | 100 | +5 |
| †N. S. 5's '60 ........ | 108 | 102 | +6 |
| **Western Provincials** | | | |
| Alberta 6's '47 ...... | 102 | 97 | +5 |
| B. C. 6's '47 ......... | 101 | 96 | +5 |
| Manitoba 6's '47 .... | 101½ | 95½ | +6 |
| Sask. 6's '52 ........ | 101 | 94 | +7 |
| **Corporation Issues (Bids)** | | | |
| ‡Abitibi 5's '53 ...... | 40 | 18¼ | +21¾ |
| Beauharnois 5½'s '73 | 94½ | 90 | +4½ |
| †Bell Tel. 5's '55 .... | 105½ | 102 | +3½ |
| *B. C. Power 5's '60 . | 96½ | 84 | +12½ |
| *Can. Cement 5½'s '47 | 86½ | 79½ | +7 |
| †C.P.R. 5's '54 ...... | 97½ | 77½ | +20 |
| †Duke-Price 6's '66 . | 93½ | 74 | +19½ |
| †Gatineau Pr. 5's '56 | 90¼ | 77½ | +12¾ |
| *H. Smith P. 5½'s '53 | 91½ | 74¼ | +17¼ |
| *Massey-Harris 5's '47 | 73½ | 62½ | +11 |
| *McColl-Front. 6's '49 | 99 | 95 | +4 |
| *Shawinigan 5's '70 .. | 95½ | 81¼ | +14¼ |

*Payable in Canada, U. S. and London.
†Payable in Canada and U. S.
‡Traded "flat."

### Market Receptive

The week ended March 20 was one of adjustment for bond markets. Some relaxation of gains was experienced by gilt edged issues, which, however, remained near their recent top levels. Corporation issues continued selective.

Sale of $7,700,000 of Quebec 4's, maturing serially from 1944 to 1954, at 99,557 indicated the strength of the gilt-edged market. The bonds were offered publicly at prices believed to be the highest in over 20 years, for any internal payment issue. Woodstock, Ont., sold a small block of 4½ per cent serial bonds to cost the city only 4.44 per cent. Although the market relinquished part of its gains early this week, a few prime municipal borrowers have been finding it receptive at attractive rates.

## Bond Tenders

**Mar. 31—Township of Cumberland, Ont.**—$11,000, 5½ per cent debentures, due 1934 to 1943. R. J. Kennedy, clerk and treas., Cumberland.

**5 p.m., April 3, Sch. Mun. of Lachine, Que.** — $21,000, 5½ per cent debentures, dated April 1, 1934, redeemable serially from April 1, 1935, to April 1, 1941. Albert St. Denis, sec.-treas.

## Bond Redemptions

| Bond Issues | Rate | Due | Redeem. | Price |
|---|---|---|---|---|
| Amer. Salesbook | †6% | 1939 | Apr. 1 | 103¼ |
| Pac. Manifolding Book ........ | 6½% | 1937 | Apr. 1 | 103¼ |
| Wabasso Cotton | *6% | 1947 | June 1 | 105 |

†$36,000. *$10,000.

# Investment Notes

**Significant Investors' Index Numbers**
1926 — 100

| | Iron and steel | Pulp and paper | Milling | Oils | Textiles and clothing | Food and allied products | Beverages | Total industrials | Total utilities | Total co's. |
|---|---|---|---|---|---|---|---|---|---|---|
| No. of Securities: | 17 | 6 | 4 | 4 | 10 | 18 | 8 | 87 | 20 | 113 |
| **1929-33:*** | | | | | | | | | | |
| High ...... | 383.8 | 118.2 | 267.4 | 416.8 | 110.1 | 193.8 | 241.9 | 311.0 | 163.6 | 235.4 |
| Low ...... | 36.8 | 1.4 | 34.9 | 78.3 | 24.0 | 66.5 | 27.3 | 44.0 | 30.5 | 38.6 |
| **Monthly Figures, 1934:** | | | | | | | | | | |
| January .. | 98.1 | 11.4 | 74.9 | 147.0 | 66.6 | 122.6 | 163.6 | 118.6 | 53.5 | 83.8 |
| February .. | 114.6 | 13.6 | 77.1 | 153.7 | 73.3 | 128.2 | 148.5 | 123.8 | 58.0 | 88.7 |
| **Weekly Figures, 1934:** | | | | | | | | | | |
| Mar. 1 .... | 113.6 | 13.1 | 79.5 | 151.9 | 75.4 | 134.1 | 174.0 | 126.2 | 57.5 | 92.7 |
| Mar. 8 .... | 114.2 | 13.3 | 78.6 | 151.1 | 76.1 | 134.7 | 173.4 | 129.1 | 57.5 | 93.6 |
| Mar. 15 .... | 114.7 | 13.1 | 77.9 | 154.6 | 76.6 | 135.0 | 172.6 | 133.3 | 60.3 | 97.1 |

*High and low of years from 1929 to 1933 inclusive are based on weekly figures. Compiled from figures issued by Dominion Bureau of Statistics. See also Stock Market Indicator in page one.

### Clarendon Apts. Improving

CLARENDON Apartments last paid interest in December, 1932, when coupon No. 9, due in 1931, was paid. The apartment is about 85 per cent rented, it is understood, but low rents in Toronto, as elsewhere, make it impossible to earn full bond interest at present.

If the property were 100 per cent rented at present rates, it would be able to earn operating expenses and taxes and about one-half year's bond interest, The Financial Post is informed. So that less than one-half year's bond interest appears to be earned at the present. This situation, however, appears to be improving slightly, because of better general business conditions.

### Crescent Rd. Apts. Earnings Low

CRESCENT Road Apartments is being operated by the owners, but with creditor control, it is understood. The bondholders have not foreclosed. An offer of 20c. on the dollar to bondholders was rejected last year. The property is fairly well rented but rental rates are low.

At present, taxes and operating expenses are being earned, it is understood, and any surplus is deposited to the credit of bondholders, but it is small. Thus, it is considered improbable that a payment of interest on the defaulted bonds will be made in the near future.

* * *

### Consol. Bakeries Dividends

CONSOLIDATED Bakeries has drawn wide attention from shareholders of baking bread companies by resumption of common dividends. The last payment before 1934 was 12½ cents a share for the quarter ended July 2nd, 1932, but the present payment is twice as much, at 25 cents, payable April 3, 1934. This quarter's dividend would have been made possible alone by the revaluation of assets last year in that the result has been a much lower annual write-off for depreciation.

The company, which is controlled by the Ogilvie Flour Milling Co., is apparently making some headway against the very difficult problems which have confronted all bread companies in the last two or three years. Executives of other bread companies think it is a little too soon to consider this as a first sign that the problems of the industry are being solved. Experience over a whole year, they state, would be much more encouraging. The experience of Canada Bread for the first six months of this year showed a loss.

* * *

### Nathanson Expands in U. S.

N. L. NATHANSON, chosen by trustees dominating policy of Paramount to head Famous Players Canadian Corp. in Canada, has also been appointed on the advisory committee of Paramount Theatres. Mr. Nathanson is bidding as well for active management of the Roxy, Seventh Ave., theatre, and Canadian Moving Picture Digest quotes rumor that Loew's may be associated with Nathanson in this attempt.

That it is possible to make money in the moving picture business is shown by the news that Warner Bros. are now operating at a profit. It is now up to Paramount.

* * *

### Trustee Handles Richmond Bldg.

RICHMOND Building, Ltd., has been taken over by the Royal Trust Co., trustees for the first mortgage bonds, The Financial Post learns. Interest has been in default since January, 1933. There are some legal matters, concerning the interests of the second mortgagee, that require to be straightened out before information on earnings for 1933 will be available.

* * *

### Net Profit Expected

IN AN analysis of the position and prospects of The Ford Motor Co. of Canada, Bongard & Co. state that current indications and forecasts made in responsible quarters lead to the opinion that the company will be able to report a net profit from operations during 1934 for the first time since 1930 This would be a reversal of the form shown in 1931, 1932 and 1933 when losses were experienced.

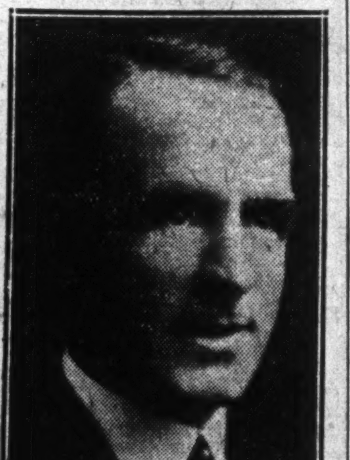
As a rough yardstick of the position of the company, the analysis suggests that the company should be able to make a profit with an output and sale of 3,000 cars monthly. Present statistics lead Bongard & Company's statistician to expect an output in 1934 of 40,000 cars. Australia, South Africa and India have been buying cars far in excess of recent years.

### Canada Packers Plans

OFFICERS of Canada Packers state that Winnipeg reports of a large addition being intended to the plant on Marion Street, St. Boniface, have a basis only in the fact that the matter has been considered. No definite plans have been made as yet but the company is looking for heavier hog deliveries in Western Canada next fall and in that case an addition may have to be made.

The matter will be decided by the course of export business as 1934 marches on.

### Elected Director



EDGAR A. ROBERTSON
Sales manager of Montreal Cottons Ltd., who has just been elected a director of the company, succeeding the late F. G. Daniels.

## Loans to West At $46,472,000 3 New Loans

From Our Own Correspondent

OTTAWA.—Three new loans by the Dominion Government to the western provinces have been announced in the past few days, bringing the grand total to $46,472,000.

The loans are:

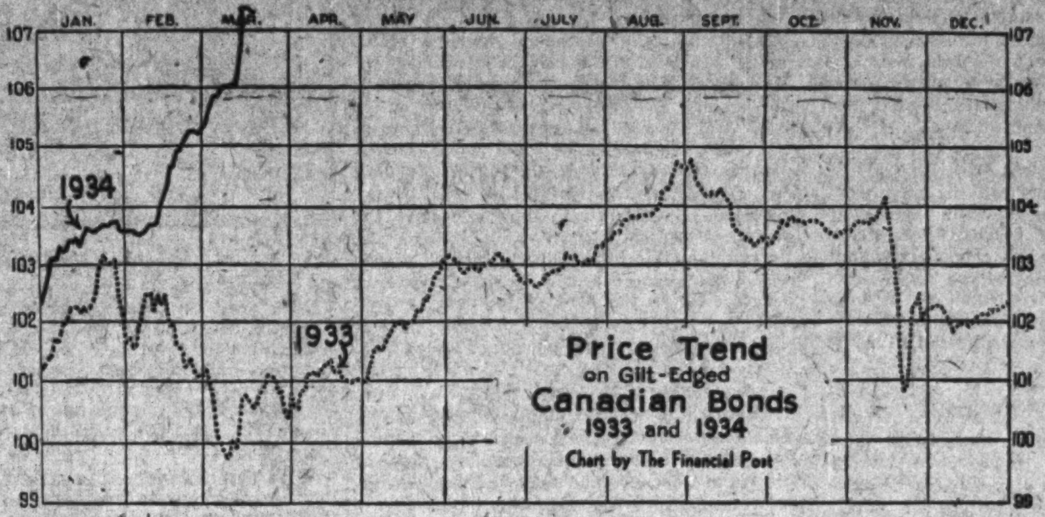
Feb. 10, to Saskatchewan, $200,000 for provincial and/or municipal share of direct relief.

Feb. 27, to Manitoba, $244,000 for direct relief.

March 12, to British Columbia, $500,000 for direct relief.

In addition there have been numerous orders-in-council renewing loans made in 1933.

## Gilt-Edged Bonds at New Post-War Peak



Starting with a gradual rise in January, gilt-edged Canadian bonds have made sweeping advances in February and March to touch new high levels for the post-war period. Long term Dominion loans are now on a four per cent basis, for the second time since 1914. That the effectiveness of the decline in yields is no pipe-dream was indicated recently by sale of a city of Ottawa issue to cost the city only 4.125 per cent. And this week the Province of Quebec borrowed at 4.04 per cent, believed to be the lowest rate for a government loan in Canada in 20 years.

### Directs Cotton Firm

G. BLAIR GORDON
Whose promotion from acting general manager of Montreal Cottons Ltd. to managing director was announced at the annual meeting of shareholders.

## C. G. ELECTRIC EARNINGS DOWN, LIQUIDS STRONG

### Finds Encouragement in Record Consumption of Electric Power

Because the business of Canadian General Electric Co was composed mainly in 1933 of sales of electrical merchandise household appliances, incandescent lamps and small apparatus, net earnings available for paying $3 a share on common stock amounted to only 19 cents a share on 188,845 shares of $50 par value stock outstanding. The preferred stock dividend was well covered but the company's sales of large apparatus were greatly reduced because electric power developments in Canada during 1933 were mostly additions to existing plants.

Encouragement for the future, however, is drawn, stated A. E. Dyment, chairman, and D. C. Durland, president, in the report to shareholders — from the fact that since October, 1933, the consumption of electric power in Canada has been at the highest rate ever recorded "indicating that the available surplus electric power of the country is in process of being absorbed, which should ultimately lead to the resumption of power plant developments with the consequent demand for heavy electric generating and distributing equipment."

**Consolidated Income and Surplus Account, Years Ended Dec. 31**

| | 1933 $ | 1932 $ |
|---|---|---|
| Net earnings ........ | 1,070,807 | 2,086,467 |
| Less: Depreciation .. | 435,632 | 920,806 |
| Net profits .......... | 635,175 | 1,165,661 |
| Less appropriations: | | |
| Pref. dividend .... | 599,042 | 599,043 |
| Common dividend . | 613,746 | 755,380 |
| Deficit for year ..... | 577,613 | 188,762 |
| Previous surplus .... | 6,764,418 | 6,953,180 |
| Bal. carried forward . | 6,186,805 | 6,764,418 |

**Working Capital**

| | 1933 $ | 1932 $ |
|---|---|---|
| Current assets ...... | 16,579,007 | 18,429,567 |
| Current liabilities ... | 1,018,675 | 2,810,168 |
| Working capital ..... | 14,560,332 | 15,619,399 |
| Ratio .............. | 16.27—1 | 6.56—1 |

### Improving Apparatus

As a result of the over-supply of electrical power now being taken up, capital expenditures by the company in 1933 were only $115,261 but in the last ten years such expenditures have totalled $8,806,909, placing the factories, district offices and warehouses "in excellent physical condition and advanced manufacturing efficiency, quality of product and service to customers."

Reduction in current assets is net result of changes in the following items: cash and loans, fully secured by collateral, dropped from $4,880,871 to $2,002,097; government bonds at cost or par value, whichever is lower, went up from $9,208,192 to $10,854,274; accounts receivable, less reserve, declined from $2,099,491 to $1,558,497; inventories, less reserve, at cost or market whichever was lower, increased from $3,732,564 to $3,906,100; and advance payments on contracts deducted from current assets went up from $1,491,551 to $1,741,960.

The drop in current liabilities was accounted for, aside from smaller dividends payable at the outset of 1934, by a drop in accounts payable from $2,471,562 to $727,281.

### Common Share Equity $77.15

The Employees Savings Plan is continued into 1934 as purchase of preference shares has proven beneficial to employees in recent years. Employees holdings exceed $1,000,000 of preference, or more than 12 per cent of total preference stock outstanding.

The company has no funded debt and its $8,557,750 par value of preference stock is entirely covered by net current assets, with $6,002,582 remaining to apply against 188,845 shares of $50 par value common stock, or $31.79 to each common share. The common stock also has an equity of $45.36 in remaining assets after deduction of the huge depreciation and general reserve of $13,288,644. These remaining assets include property at $17,220,225, investments at $4,133,890, an amount of $456,748 debited to Employees Savings plan and deferred charges of $44,254. The reserve mentioned is about 60 per cent of this total. Total common stock equity is $77.15 a share.

## DAIRY CORP. PROFITS DOWN, REORGANIZING

### Sales Down But More Homes Served With Milk and Cream

Dairy Corp. financial statement for 1933 shows operating profits before depreciation down to $208,348 from $250,780 and a working capital deficiency, a result which was expected by shareholders in view of the reorganization plan recently submitted to them. Total sales of subsidiary companies shown by J. A. Caulder, president, in his report to shareholders, declined from $4,121,343 in 1932 to $3,699,407 in 1933, a reduction of 10 per cent following upon the previous year's decline of 20 per cent. The decline is mainly accounted for by lower prices prevailing and to the smaller quantity of butter handled in a wholesale way. Ice cream sales were down 4.1 per cent.

**Consolidated Income and Surplus Account Year Ending Dec. 31**

| | 1933 $ | 1932 $ |
|---|---|---|
| Oper. profits ....... | 208,348 | 250,780 |
| Less: Deprec. ....... | 150,728 | 150,558 |
| Min. int. in subs.‡ | 134,088 | 179,730 |
| Loss on invests..... | ...... | 4,402 |
| Inc. tax res. ...... | 7,799 | 10,599 |
| Sundry adj. cr. ... | 10,686 | 12,194 |
| Avail. to Dairy Corp. . | †73,581 | †73,314 |
| Less: Deb. int. ...... | 46,847 | 44,700 |
| Amort. of deb. disc. | 3,478 | 2,371 |
| Net profit .......... | †123,906 | †120,385 |
| Less: | | |
| Disc. on shs. ...... | 5,141 | ...... |
| Deficit for year ..... | 118,765 | 120,385 |
| Add: Prev. surp. .... | 21,982 | 142,367 |
| Bal. carr. fwd. ...... | †96,783 | 21,982 |

† Deficit.
‡ Interest and dividends on securities of subsidiary companies and adjustment for minority interest in operating profits.

### Hopes for Improvement

The net result of the year was therefore a deficit of $96,783 taking the place of a former surplus of $21,982. Expenses for the year were reduced by $167,745 and additional taxes in 1933 cost the company $100,000 more than in 1932. Discount on relief milk cost the company many thousands of dollars more than in 1932 and in the case of one of the companies the new ice cream sales tax instituted in 1932, plus the new sugar tax started in 1933, cost one subsidiary alone $40,000.

Mr. Caulder hopes that from now on results will improve, but states that it will be impossible to repay the bank loan of $398,850 out of earnings within a reasonable time and under these circumstances debenture interest and preferred dividends could not be paid even if earned. From that arose the reorganization plan which he believes to be in the best interests of shareholders.

The subsidiaries have no bank loans.

Working capital account is shown in the following table:

**Working Capital**

| | 1933 $ | 1932 $ |
|---|---|---|
| Current assets ....... | 449,643 | 562,160 |
| Current liabs. ....... | 754,224 | 794,836 |
| Working capital ..... | †304,579 | †232,676 |
| Ratio .............. | 0.59—1 | 0.71—1 |

† Excess of current liabilities over current assets.

### Capital Liabilities Lower

Capital liabilities were somewhat reduced during the year. The balance of $70,150 due in connection with the purchase of Purity Ice Cream, Ltd., Winnipeg, has been paid in full and the only capital liability remaining is an item of $306,509 due the Provincial Bank of Canada in connection with the purchase of Montreal Dairy Co. preference shares. Negotiations are under way "to cancel this obligation on a basis agreeable to all parties concerned."

In addition to the bank loan referred to, bank overdraft of $29,177 is shown and other secured loans of $6,407. Accounts payable stand at $180,737, interest accrued on debentures of $69,197 and on bonds and mortgages of subsidiary companies at $52,006. There is an equity of minority interests in subsidiary companies of $825,300. Contingent liabilities are $340,000.

## Bond Sales

### Province of Quebec

Province of Quebec has sold $7,700,000 of four per cent debentures, maturing $700,000 annually from 1944 to 1954, at 99.557, a cost basis to the province of approximately 4.04 per cent. Bids were:

| Syndicate: | Bid |
|---|---|
| A. E. Ames & Co., Dominion Secs., Wood, Gundy & Co., Royal Bank, Bank of Comm., Bank of N.S., R. A. Daly & Co., Matthews & Co., Dyment, Anderson & Co., Griffis, Fairclough & N., Midland Secs., Gairdner & Co., Cochran, Murray & Co., Societe de Placements ........................ | 99.557 |
| Bk. of Montreal, Banque Can. Nat., Hanson Bros., McTaggart, Hannaford, Birks & G., Royal Secs., Nesbitt, Thomson & Co., McLeod, Young, Weir & Co., Bell, Gouinlock & Co., Fry, Mills, Spence & Co., Mead & Co., E. Savard, L. G. Beaubien & Co., Harrison & Co., Drury & Co., Collier, Norris & H., R. T. Leclerc, Kerrigan, MacTier & Co. .......................... | 98.579 |

### Woodstock

City of Woodstock, Ont., has sold $15,986 of 4½ per cent 10-installment debentures to J. L. Graham Co. at 100.317, a cost basis to the city of approximately 4.44 per cent. Bids were:

| Syndicate: | Bid |
|---|---|
| J. L. Graham & Co. ............ | 100.317 |
| Griffis, Fairclough & Norsworthy | 100.15 |
| Dominion Securities Corp. ....... | 99.577 |
| Wood, Gundy & Co. .............. | 99.509 |
| A. E. Ames & Co. ................ | 99.27 |
| Bell, Gouinlock & Co. ........... | 99.20 |
| C. H. Burgess & Co. ............ | 99.11 |
| Dyment, Anderson & Co. ........ | 99.08 |

A Profitable Custom

Business executives in efficiently managed offices are rapidly coming to realize the wisdom of serving tea to their staffs in the afternoon.

They find that the increased efficiency of their employees more than compensates for the short period of relaxation.

Let us explain how **you** can serve 'afternoon tea' with little bother and a trifling cost.

SALADA TEA

MONTREAL LA. 2221 | WINNIPEG 95-042 | TORONTO AD. 4931

Abitibi Power & Paper Company, Limited
TORONTO, ONT.

Owning and operating mills at

Beaupré, Que. | Sault Ste. Marie, Ont.
Sturgeon Falls, Ont. | Iroquois Falls, Ont.
Espanola, Ont. | Smooth Rock Falls, Ont.
Pine Falls, Man. | Fort William, Ont.

Daily Capacity 2,200 Tons Newsprint
Groundwood Pulp | News Sulphite Pulp
High Grade Bleached Sulphite Pulp

## Weekly Record of Financing in Canada

**SALES BY MUNICIPALITIES, PROVINCIAL AND DOMINION GOVERNMENTS**

| | Date Sold | Sold to | Rate | Due | Amount | Price | Cost |
|---|---|---|---|---|---|---|---|
| **Municipal—** | | | | | | | |
| Woodstock ................ | Mar. ...... | Graham & Co. ........................ | 4½% | 10-ins. | $15,986 | 100.317 | 4.44% |
| **Provincial—** | | | | | | | |
| Quebec ..................... | Mar. 20 .... | A E. Ames & Co. and syndicate .......... | 4% | 1944-54 | 7,700,000 | 99.557 | 4.04% |

**OFFERINGS OF CORPORATIONS AND FOREIGN SECURITIES**

| | | Offered by | Rate | Maturity | Amount | Price | Yield |
|---|---|---|---|---|---|---|---|
| **Stock Issues—** | | | | | | | |
| McManus Red Lake Gold Mines .............. | Mar. ...... | Direct ........................ | ... | Treas. stk. | 200,000 sh. | 12½c. | .... |

A Good Record

| Year | | Amount in Force | Total Assets | Reserves for Policyholders | Income |
|---|---|---|---|---|---|
| 1921 | . . | $ 1,024,640 | $ 228,905 | $ 26,573 | $ 32,609 |
| 1925 | . . | 6,722,344 | 810,211 | 466,435 | 250,287 |
| 1929 | . . | 22,888,060 | 2,563,307 | 2,000,203 | 817,379 |
| 1933 | . . | 25,504,718 | 4,822,426 | 3,888,580 | 1,112,274 |

THE T. EATON LIFE ASSURANCE COMPANY

HEAD OFFICE — TORONTO, CANADA

Come On You Competitors—

The new 1934 Auburn cars are here—and the public is coming to see, drive, and buy them.

You *other* car dealers might as well find out right now what Auburn has.

You must compete against the new Auburn because buyers are going to *compare your car with Auburn.*

You are impressed by the fact that Auburn does *not* use Knee Action.

You have heard that Auburn cars have a roadability—a smoothness—a steadiness and a riding comfort, combined with a safety and ease of handling, surpassing any and all other 1934 cars.

You have longed to verify reports that Auburn (builder of world's Champion Stock Cars) has for 1934 eclipsed all its previous standards for speed and performance.

Well, here's your opportunity to find out.

We invite you. Bring your retail salesmen, too.

Because your prospective customers *are* finding out.

Come and get behind the wheel, and see how Auburn accelerates *ahead* of other cars.

See how Auburn "takes the work out" of driving.

Drive into a curve at 60, 70 or more miles an hour and see how Auburn clings to the road; does not side-sway or lean.

Both in advertising, and by word of mouth, you have asked the public to believe many extremely broad and emphatic claims for the riding qualities of the car you are selling.

And you have driven your car and demonstrated it over rough roads, on turns, etc.

Now we challenge you—

Drive a 1934 Auburn and go over the *same* route. You will be amazed at the difference, in the way the Auburn handles, and the superior way it performs.

Auburn gives you smooth, comfortable riding ease without "baby buggy" bouncing up and down.

Auburn gives you a steady, secure sense of control and safety at all times.

There is a *firmness* about Auburn's performance on the road—*but no stiffness!*

There is a *rigidity* in Auburn's frame that gives assurance of strength and durability—*without hard riding!*

We hope you accept this invitation—but whether you do or not, the public is going to find out that *every word of this advertisement is true.*

And car buyers are going to learn *more* about the new Auburn—

They are going to be *amazed at the economy* of Auburn's operation.

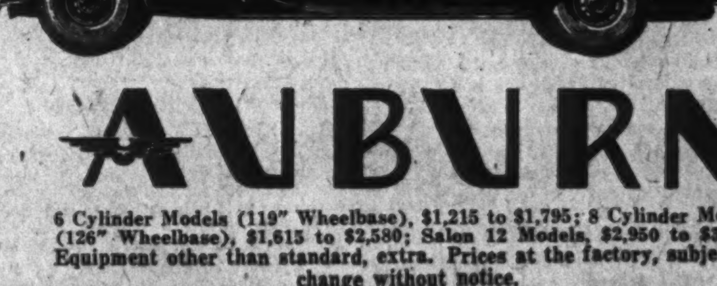
And they are going to get *the greatest thrill they have ever had in any motor car* when they operate Auburn's improved Dual-Ratio—which gives the driver the choice of two different rear axle gear ratios. This *proven* improvement alone is sufficient to place Auburn far ahead, as the most advanced car on the market.

Car buyers are also going to find out that Auburn offers matchless body comforts, wider seats—more leg room and head room.

And—but come and see for yourself Auburn's many, many improvements and betterments.

*Delivered in Toronto. All taxes paid.*

$1,215 AND UP



AUBURN

6 Cylinder Models (119" Wheelbase), $1,215 to $1,795; 8 Cylinder Models (126" Wheelbase), $1,615 to $2,580; Salon 12 Models, $2,950 to $3,250. Equipment other than standard, extra. Prices at the factory, subject to change without notice.

AUBURN AUTOMOBILE COMPANY — Division of Cord Corporation

O'DONNELL-MACKIE LIMITED
577 YONGE STREET | KIngsdale 2213

Dealers wanted in open territories—apply Wholesale Department.

# The Financial Post

Member Audit Bureau of Circulations
Editor—FLOYD S. CHALMERS
Business Manager—D. M. GOWDY

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TORONTO, MARCH 24, 1934

## ELECTRIC CHAIR FOR BIG BUSINESS?

ANYONE who reads the proceedings of the Stevens Committee at Ottawa must be struck by the frequently expressed opinion that the large department stores and chain stores are uneconomical. Numerous witnesses are presenting briefs making the charge that these large organizations have actually increased, rather than decreased, the margin or spread between the producer and the consumer. So vigorous is the competition between these large merchandising organizations, it is contended, that the increased spread must be found in buying prices rather than in selling prices. An effort is being made to prove that the result is that the increased spread is coming out of the hides of workers rather than out of the pockets of consumers. That Mr. Stevens believes this is apparent from his speeches.

Of course, this allegation has not yet been proven. Auditors are busy on the books of the large merchandising organizations and they will no doubt have some interesting figures to present to the committee, which figures will be more important than loose allegations made by the competitors of the big stores.

If, however, it were true, then large scale merchandising would be doomed to early extinction. It would either have to revise its methods or lose out in the competitive race. It would in fact have lost out long ago. There would be no big stores today.

"If big business firms are so inefficient why not let economic nature take its course and correct the situation?" a party with a key interest in the enquiry was asked. His reply was succinct and perhaps illuminating. He said, "Certainly, they are dying of slow poisoning. But what we want to do is give them the electric chair."

The reply is significant because it throws some light on the manner in which the enquiry at Ottawa is being conducted.

But it isn't customary to sentence anyone to the electric chair without fair trial.

## GOLD CLAUSE INEFFECTIVE

GOLD clauses, in bond issues, promise to repay in "gold coins of the present standard of weight and fineness," meaning predevaluation coins, appear to have turned out a joke on the lawyers who drew them. The laugh is certainly not with the investor.

Despite the recent decision of the British House of Lords that the gold clause must be observed in its apparent meaning, the Lords would have to reverse their decision if Parliament alters the law of the realm, according to good legal authorities. The Lords' decision is based on the existing restrictions placed on the use of gold by Parliament. There now appears little doubt that these restrictions will eventually be altered; perhaps sufficiently to render the gold clause ineffective in Great Britain.

In Canada and the United States, no legal development has yet occurred to disturb court rulings to the effect that government restrictions of the use of gold are sufficient to circumvent the intention of the gold clause to protect investors from currency debasement. The position of the clause is aptly described in the New York Herald-Tribune by Walter Lippmann:

> "In the case of states, cities, corporations, or individuals, the gold clause was really a piece of constitutional impertinence, a usurpation of power that is especially vested in Congress."

This statement might be applied in respect of the monetary powers of other governments. This supreme authority of the state concerning money was ably developed by the great German economist, G. F. Knapp, over 30 years ago. It appears that, when put to the test, the powers of governments to say what the money shall be cannot be flouted by a legal phrase.

## A POLICY ON RELIEF

IN THE opinion of the Canadian Council of Child and Family Welfare, it is time for the people of Canada to decide where they are heading in the matter of unemployment and relief. The council has issued a pamphlet outlining what it believes to be the essentials of a relief programme for Canada. The need for constructive reorganization of direct relief, now conducted in a very unsystematic and costly manner, is urged. A second suggestion is a carefully co-ordinated plan of relief work and a third the initiation of an actuarially sound system of unemployment insurance.

At the same time, the council believes that steps should be taken to curb the rapid urbanization of population by a well constructed plan of returning to the land capable people willing to cultivate it.

Canada's relief load is presently in the neighborhood of 1,400,000 individuals at a monthly inclusive cost of approximately $7,000,000 and the council is not inclined to feel that, even after five continuous years of special provision for the relief of unemployment, there can be any reasonable hope of cessation of the so-called national emergency condition early in the present year.

In urging the desirability of some system of unemployment insurance the council declares it to be obvious that such a measure can relieve but part of the economic and social dependency that threatens the wage worker in modern civilization. It is laid down as an essential that any scheme of unemployment insurance should be actuarially sound and based on a contributory system. No system of contributory assurance would provide full social protection for the casually employed nor could it be expected to provide for the relief of dependency arising from various causes other than unemployment. And likewise while the council believes that it is possible to evolve an actuarially sound system to provide against ordinary unemployment it is doubtful whether any insurance system could provide against an almost catastrophic contraction of unemployment such as we have recently seen.

Unemployment insurance, with the definite reservations made by the council, may prove exceedingly difficult to organize in Canada but unemployment insurance without these reservations would be fatal. The council has made some very sensible studies of the relief problem since the present crisis began and it is on solid ground in urging that the Dominion Government in particular should attempt to define what its policy in the matter really is.

## TOPSY-TURVY ECONOMIES

IT IS difficult to reconcile one's mind these days to rapid shifts in economic opinion, especially when so many of the economic opinions that are being expressed have a purely political purpose to serve.

The United States has always felt a certain pride in its favorable balance of merchandise trade with Europe. Now Washington finds that this favorable balance is making its programme of keeping the dollar undervalued exceedingly difficult. And so certain Washington monetary authorities are silently praying that Europe will put up its tariffs temporarily so as to stop American exports and keep the dollar low.

Another thing that, in Canada at least, has always been considered of great economic benefit to the nation is the establishment of branch plants of foreign enterprises. But in Great Britain there is discussion of a plan to give the government control over all foreign branches established in Britain. The argument is that as British industrial capacity is more than sufficient to meet the needs of the domestic market, foreign enterprises can be tolerated only when they produce non-competitive articles.

Thrift is another doctrine that has always been promoted as essential to the development of any nation. And nowadays both public bodies and private individuals are urged to spend to break the back of the depression. The key problem of the depression being that of debt, we are told to end the depression by going further into debt.

Then there was a time when nations were proud that their currencies sold at par or at a premium in foreign exchange markets. Today there seems to be a competition among the nations to see which one can depress its currency the most.

## UNDERSTANDING TAXES

THE Vancouver Province remarks that the wise taxing authority is the one which recognizes the social power of taxation and uses this power to achieve its ends.

There is no lack of use of the social power of taxation in Canada but true wisdom lies not in recognizing that power but in showing the courage to refrain from misusing it.

In the opinion of the Province taxation has two purposes; one financial and one social. Would it not be more accurate to say that taxation has, properly one purpose, financial, but that its results, equally important, are social and economic.

Nine-tenths of the taxation problem arises in Canada because of the attempt to use taxation for social control. The other tenth is due to waste, inefficiency, extravagance and graft.

The first step in solving a problem is to understand it. We are beginning to understand the taxation problem in Canada.

## TELLING INVESTORS

THE annual statement recently sent by Dominion Stores Limited to its shareholders is a heart-to-heart talk with the shareholders. Corporation presidents all too seldom indulge in such frankness but it is appreciated by investors.

The remarks of the president run to approximately 3,500 words. They outline all the company's activities during the year; indicate new policies that have been adopted and the reasons for them; make an analysis of the earnings figures and balance sheet; and generally supplement the figures that are given in the report.

Shareholders in any company are entitled to the fullest information as to how their assets are being administered. The Dominion Stores report gives them much more information than is vouchsafed in the ordinary annual report.

An interesting feature is a frank discussion by Morley Smith, the president, as to the position of the chain stores in the merchandising of food. Mr. Smith outlines economic and social philosophy back of the chain store development. Mr. Smith claims for the chain store that it has revolutionized the merchandising of foods to the benefit not only of the consumer but of the business community. Instead of wilting under the fire from Ottawa, Mr. Smith has taken the opportunity afforded by the publication of his annual statement to state why he believes in the economic and social soundness of his type of business.

It is a waste of opportunity for a company to issue an annual statement that is not used to win goodwill from investors and the public. Mr. Smith's thoroughness may be commended to other executives as a good example to follow.

## REVALUATION OF GOLD

THE world is moving inexorably in the direction of a general revaluation of gold. The United States has effected an interim revaluation and is likely to set the price higher before a permanent figure is arrived at. Canada, being off the gold standard, has to all intents and purposes revalued gold, that is to say, devalued its currency. All that remains to be done is to fix a final figure and that can wait. The same can be said of Great Britain. But most European currencies continue to be valued in terms of gold at the older parities. It is unlikely that they can continue to evade facing the issue for long.

World agreement on new currency parities could not be obtained at the time of the London Conference. But it must come if recovery is to be international. A useful preliminary would be a monetary understanding between Britain and America. The uncertainty of American monetary policy makes that difficult.

## THANKS FOR FOOLISHNESS

ARTHUR BRISBANE, Hearst commentator, says in his daily syndicated column:

> "Premature boasting by some Canadian newspapers as to the wonderful deal their government had 'put over' on Uncle Sam may have had something to do with the vote."

The reference is to an article in the Mail and Empire, Toronto, which was used by anti-Seaway propagandists at Washington. The Mail editor had boasted that Canada had got the better of the deal.

How about a round of applause from the long-suffering taxpayer for the editor of the Mail and Empire? He didn't mean to kill the Seaway treaty and the huge expenditure of public funds that it involved but it appears that he helped anyway.

## FREEDOM VERSUS CONTROL

ACTION for action's sake is the mood of governing bodies the world over. A plague of legislation has descended upon a world already weary of legislative frustrations.

The legislation does two things. Much of it provides new "controls" on individual enterprise. And most of the rest of it authorizes governments to extend State aid to individuals. Not necessarily divergent are the two tendencies. Getting an institution in debt to the government is the first step to having the government run it.

It is unpopular to resist the furious march toward the goal of a new form of State in which society in the mass is to triumph over society as the aggregate of all individuals. People no longer worship freedom as they once did. Control is the new fetish, Control by the State leading to a Planned Society.

Somehow a society planned by the politicians seems less attractive to Canadians, who still hope to make a success of Democracy, than to Europeans who have not yet lost their willingness to submit to regimentation.

## EDITORIAL NOTES

Control of Price Brothers conflicts with Control of Prices for first place in newspaper headlines.

* * *

This is an extract from a letter received from a well-informed Washington man who was a fairly enthusiastic Roosevelt supporter a year ago:

> "Most of us down here are getting pretty well fed up with all this demagogy and poppycock which is being passed out to delude the people. If they would just cut out a lot of these social experiments, the country would move ahead so fast that most of us would be dizzy. But every time business begins to perk up somebody or other introduces a destructive bill, apparently with Administrative consent, and everything goes flooey again."

* * *

They are still arguing about where Orillia got its name. But that is a matter that concerns people who died 250 years ago. More important is where it got its fame. And that concerns people of the present generation.

## *Post-Scripts*

MEMBERS of the staff of the Winnipeg Free Press have been selecting forty famous Canadians. The list is exceedingly interesting. Some of the names show that the staff of the Free Press numbers some very discriminating persons.

It is obvious to include the names of Dr. Banting, Stephen Leacock, Mazo de la Roche, Jack Miner and Lawren Harris in the list. One would expect Mr. Beatty, Mr. Bennett, Mr. King and Mr. Massey to be there. A western paper would be bound to include James A. Richardson, Cora Hind and Mayor Webb. We fancy that Mr. Dafoe's name was there but that he struck it out.

But there was intuitive genius in the selection of the names of Punch Dickins, Charlotte Whitton, Dr. Plaskett, Joe Bernier and Grey Owl. Anyone who can not name off hand what these people do and have done ought to be made to answer for his ignorance of interesting and useful Canadians.

Of course, the list is not satisfying. No one can object to the inclusion of Ernest Macmillan but Reginald Stewart is at least as worthy as Stanley Maxted; Mr. Ferguson as Tim Buck or J. S. Woodsworth; William MacDonald or "Red" Pratt as Audrey Alexandra Brown.

And where are Sir Joseph Flavelle, Arthur Meighen, Sir Robert Borden?

Where is Sir Thomas White, our great wartime finance minister? Is there no famous Canadian in the Maritime Provinces?

The Free Press invited everyone to make up his own list of forty names. That's the only way to satisfy everybody.

---

IN CANADA, as in most countries of the world, the use of gold as a medium of exchange by the public is a forgotten phase of commerce. Even the gold balances that were once the essential equipment of any commercial house in the roaring placer gold camps have almost vanished—but not in Barkerville.

Barkerville, British Columbia, in the heart of the Cariboo district, which in the early sixties was one of the world's greatest placer mining camps credited with the production of some forty million dollars in gold, is again booming. But there are no banks in this one-street town of tumble down shacks (tumble down except for the "new town section" that has sprung up to accommodate the rush) so Kelly's Hotel, once again the centre of commerce, plays the rôle of host, merchant and banker. Here Madame Kelly weighs out the gold nuggets found by the old placer miners, who still haunt the creeks in the summer time and eke out a living. Credit is given for the gold turned in on the basis of $20 per ounce and after Mrs. Kelly receives settlement each miner is duly credited with exchange according to the prevailing rate. The nearest bank is Quesnel, 60 miles away so a real service to the community is provided by the hostess-merchant-banker.

## *Sayings of the Week*

"No branch of the white race has a monopoly of intelligence."—*Aldous Huxley.*

* * *

"Canada is the most grotesquely overgoverned country in the world."—*Sir Henry Drayton.*

* * *

"Our conduct is influenced not by our experiences but by our expectations."—*George Bernard Shaw.*

* * *

"It is pleasant to think of the Golden Age, but it is better to see it ahead than behind us."—*Robert Lynd.*

* * *

"If I were running the world, I would have it rain only between 2 and 5 a.m. Anyone who is out then ought to get wet."—*Dr. William Lyon Phelps.*

* * *

"Human nature cannot possibly be made an excuse for the inevitability of war. Man is essentially a decent creature."—*Professor Elliot Smith.*

* * *

"Before the war, international financial co-operation was the essence of the world's economic system."—*Professor J. H. Jones, British Economist.*

* * *

"Although democracy may linger on in a few corners here and there, its doom throughout the world is absolutely sealed."—*Prince Starhemberg.*

* * *

"The lives of students in every place of education should reflect in miniature the life of the working and playing world outside."—*H. Ramsbotham, British M.P.*

* * *

"In this age of the radio and the aeroplane it is unthinkable to preserve a Parliamentary machine created in the days of the stage coach."—*Alexander Kerensky.*

* * *

"The little mushroom parties appeal to boys who think it amusing to dress up and go through queer antics, and to imagine that they are something between conspirators and soldiers."—*Duff Cooper.*

* * *

"It never seems to occur to the Socialists that their ideas of class war and of the dictatorship of the proletariat can be copied by other classes more powerful than themselves."—*Viscount Esher.*

* * *

"Whatever the League of Nations has accomplished to make conditions less acute, it seems to have made no positive progress in fifteen years in removing international bitterness, want of confidence and fear."—*Sir Joseph Flavelle.*

* * *

"When we reflect that unremitting attention to money-making disqualifies its votaries from enjoying all the things that money can buy—not to think of the finer pleasures of life—it must be clear that nothing but a queer sort of religious self-mortification could induce many persons to choose the life which the successful business man has to lead."—*Dean Inge.*

# The World at Large

### An Occasional Department Discussing World Economic Affairs That Affect Canada

By J. L. BURTON LEWIS

## Canada and the Threat of War

IF THERE is to be a "next Great War," will Canadians "live in a fireproof house, far from the conflagrations of Europe," or will meaning—suddenly, surprisingly—be given the seemingly fantastic suggestion that "Canada might be doomed to play the part of Belgium in 1914?"

With two oceans and a strong, friendly neighbor as her boundaries, Canada has found it easy to accept the belief that her territory is immune from any threat of war, as expressed by Senator Dandurand and at Geneva, in the first of the two similes quoted above.

It comes as a distinct shock, therefore, to discover that such a scholar as Arnold J. Toynbee, research professor of International History at the University of London and director of studies in the Royal Institute of International Affairs, writing for Pacific Affairs, can make out a valid case for the contrary view.

He believes that Canada, by reason of her situation, is sitting on a more dangerous pile of dynamite, than is England, even with Hitler as a neighbor.

The first impulse, on reading his study, is to reject the propositions it presents indignantly. Re-reading inspires the opinion that Prof. Toynbee started out with a conclusion and then proceeded to hunt for supporting arguments. More mature consideration leads to the decision that his views should not be passed over too casually by Canadians.

* * *

IT IS obvious that war between Russia and Japan would shift the balance of world forces as much or more than did the Great War. Canada could easily be caught and torn, in any one of a half dozen different ways, by the sweep of events that would result from such a contest. It may be charged that Prof. Toynbee is guilty of over-simplification, since he centres his attention upon only one of the several lines of possible development which might involve the Dominion.

The chief features of his thesis can be summarized fairly readily. First he assumes that such a war is almost inevitable and this view leads on to the conclusion that the United States would quite probably become involved. He believes Japan would defeat Russia and then might risk the "national harikari" of combat with the United States, supposing the Republic had not taken prior aggressive action.

Founding the rest of his speculation upon these premises, he contends that the Washington treaties left Japan practically the complete mistress of Far Easternn waters, and debarred both the United States and the British Empire from establishing naval bases that would enable their respective battle fleets to come within striking distance (of Japan). This strategic concession was granted Japan, to persuade her to sign the Nine-Power Treaty in the interests of China. Japan has violated this treaty while retaining the strategic advantages of the naval limitation agreement.

Since it is virtually impossible for English-speaking powers to take naval sanctions against Japan in Far Eastern waters, Prof. Toynbee turns to the possibility of an attack by air, round the northern shore of the Pacific, from an advanced base, or bases, in the United States territory of Alaska.

It is in this element, and in this zone, in all probability, he contends, that some of the decisive fighting would take place in a Japanese-American war; and this is where this English observer's scepticism about Canada's fancied security comes in.

* * *

ALTHOUGH all of Prof. Toynbee's primary assumptions merit further examination before being accepted, it is interesting to note here some of the possibilities he foresees for Canada. He continues:

> "If an American air attack upon Japan via Alaska is conceivable, it is probable that Japan would forestall it by occupying the Alaskan coast; and in such circumstances a direct access to Alaska from the continental United States would become a strategic necessity of first class importance for the United States General Staff. This consideration raises the question of that Canadian 'Polish Corridor,' cutting off Alaska from the United States, which is familiarly known as British Columbia. In a war between United States and Japan, it is not improbable that the Canadian government might be confronted with the choice between inviting the air, naval and military forces of the United States to occupy and defend British Columbia, and alternatively seeing this outlying province of the Dominion threatened by Japan in a Japanese offensive-defensive movement to parry a United States air attack upon the Japanese Empire from the northeast. This notion will no doubt be so unpalatable to Canadian minds that they will be tempted to dismiss as quite fantastic the suggestion that, in a Japanese-American war, Canada might be doomed to play the part of Belgium in 1914. All the same, one English observer, at any rate, feels decidedly more comfortable, in having his home in Yorkshire, than he would feel if he happened to be domiciled in Vancouver (a favorite resort for retired English naval and military officers and civil servants). Moreover, this same English observer has noticed that, even when a Canadian has just been enlarging upon his country's special security, if the Englishman puts to him abruptly the question of what would be Canada's attitude and position in the event of a Japanese-American war, your Canadian, caught off his guard, almost invariably answers that, in such a war, Canada would 'jump in with both feet on the American side'."

* * *

BEFORE visualizing this unhappy fate for British Columbia, Prof. Toynbee carefully developed the grounds upon which Canadians base their claim that this country is less likely than any other to become involved in war—and then proceeded to puncture them.

Arguments brought into review include: Neither China nor Russia could hold their own against Japan without support from America or Europe; Manchukuoan developments show that no great power is going to become deeply involved in the Orient, to save either country threatened; naval limitations bar such intervention, in any event, and, with so much of the Far East already within her grasp, Japan would not commit the folly of taking steps which would antagonize directly the Western Powers.

"To assume that a militarist will act like a reasonable being," Prof. Toynbee says in answers to these arguments, "is virtually to assume the exact opposite of the course of action which your militarist is likely to take."

The economic plight of Japan is so severe, in his view, and the conquest of Manchuria has done so little to relieve it, that he considers it unsound to accept the view that the drama which we are witnessing in the Pacific (creation of Manchukuo) is a tragedy in one act.

"Unfortunately, it seems more probable that further acts are to follow, and that these acts may be played out to their tragic conclusion by a larger cast on a broader stage."

The "single-track" working of the American public mind is pointed to as a vitally important element in the situation. "The Americans seem to absorb themselves to an unusual degree in one thing at a time; but when they do a thing they are apt to do it with all their might; and they are also prone to sudden and overwhelming shifts of attention and interest," Prof. Toynbee finds.

The militarists of Japan could give the United States a pin-prick, he thinks, or even a sudden jab of a knife, and quite possibly evoke no hostile reaction. But by turning the knife in the wound "they might touch the quick and arouse Leviathin in his wrath."

* * *

SHOULD a Japanese-American war be provoked, involving Canada, Prof. Toynbee believes "that war would be a Punic War, with the United States playing Rome and Japan playing Carthage. It would end in the Carthaginian belligerent's annihilation but…the destruction of Japan would not be the end of the story but rather the beginning of a new chapter of history, as far as the United States was concerned.

"…It is almost certain that the United States, at the end of the struggle, would find almost all the other countries round the Pacific left on her hand."

If combat actually came, and if the United States resisted Japan through means other than an economic war, Prof. Toynbee sees the United States eventually exercising an unavoidable hegemony over some two-thirds of the inhabited world. Canada, New Zealand and Australia, along with China and Russia, are envisioned first as allies of the United States and subsequently as political satellites.

This development, he holds, would be the Roman solution of our present international anarchy—the unification of an unconscionably non-co-operative world by brute force; and the ancient example of this violent denouement shows that it solves the problem at the price of dealing a mortal blow to civilization in the process.

* * *

WHILE according to Prof. Toynbee's views the respect they deserve, it should also be recognized that he carries his proposition too far without taking into account a large enough proportion of the elements that would become involved if such a situation were in danger of unfolding.

He seeks to show that Canada is in graver danger than Britain of becoming involved in war. But does he wish to suggest that Britain would sit back idly and watch either Russia, Japan or even the United States establish unquestioned hegemony over Asia? Would not Britain's stake in India bring her into such a potential struggle? And how would Britain's course affect the policies of Canada, Australia and New Zealand?

The danger that Communism would dominate the Orient, and cast an awful shadow over India, if Russia won, would be apt to make Britain sympathetic with Japan, in case of a Russo-Japanese war. Other forces could very easily align the United States with Russia. This set of possibilities, untouched by Prof. Toynbee, provides a more valid basis for concern than worries over Canada's "Polish Corridor."

Prof. Toynbee thinks the threat of war could be removed if markets available to Japan were broadened, but this also seems a too-facile solution, which disregards several vital forces that are at work.

## *"Stop Me If You Have Heard This One"*

"Medicine won't help you any," the doctor told the patient. "What you need is a complete rest and a change of living. Get away to some quiet country place for a month. Go to bed early, eat more roast beef, drink plenty of good rich milk, and smoke just one good cigar a day."

A month later the obedient patient walked into the doctor's office. He looked like a new man, and the doctor told him so.

"Yes, doctor, your advice certainly did the business. I went to bed early, and did all the other things you told me. But say, doc, that one cigar a day almost killed me at first. It's no easy thing to take up smoking at my age."

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## *Other People's Views*

**Owning the Bank**

Barrie Examiner.—Private ownership of the central bank holds no danger for public interests, with the limitations placed upon subscriptions. What is of immensely greater importance is the character and ability of the men to be chosen as governor and directors. They should be experienced in finance and their powers should be such as to place them above political influence.

## THE STEEL COMPANY OF CANADA, LIMITED

### Consolidated Balance Sheet, December 31st, 1933

ASSETS

| | | | |
|---|---|---|---|
| COST OF WORKS owned and operated by the Company | | $39,588,740.08 | |
| INVESTMENTS IN AND ADVANCES TO Coal and Ore Mining Companies; and holdings of Company's own Bonds, including those acquired for Bond Sinking Fund | | 2,737,262.59 | |
| | | | $42,326,002.67 |
| CURRENT ASSETS— | | | |
| Cash on hand and in Banks | | $ 794,303.80 | |
| Secured Call Loans | | 180,000.00 | |
| Dominion of Canada Bonds and Approved Securities, (market value December 31st, 1933, $8,432,866.25) | | 8,075,464.94 | |
| Bills Receivable | | 64,579.65 | |
| Accounts Receivable, less Reserve | | 2,169,624.42 | |
| Inventories of Raw Materials, Supplies and Products, less Reserve | | 4,652,549.64 | |
| | | | 15,936,522.45 |
| SECURITIES SET ASIDE FOR SPECIAL PURPOSES, AT COST— | | | |
| Shares of the Company held in Trust for Employees | | $ 186,465.68 | |
| Benefit Plan Fund | | 415,969.07 | |
| Pension Plan Fund | | 782,233.02 | |
| | | | 1,384,667.77 |
| DEFERRED CHARGES— | | | |
| Insurance and other Expenses paid in advance | | | 40,640.39 |
| | | | $59,687,833.28 |

LIABILITIES

| | | | |
|---|---|---|---|
| CAPITAL STOCK— | | | |
| Authorized— | | | |
| 400,000—7% Cumulative Preference Shares of $25.00 each | | | |
| 600,000—Ordinary Shares of no par value | | | |
| Issued— | | | |
| 259,852—7% Cumulative Preference Shares of $25.00 each | | $ 6,496,300.00 | |
| 460,000—Ordinary Shares of no par value | | 11,500,000.00 | |
| | | | $17,996,300.00 |
| FUNDED DEBT— | | | |
| 6% First Mortgage and Collateral Trust Bonds, due July 1st, 1940, Authorized and Issued | | $10,000,000.00 | |
| Less Held in Treasury and by Sinking Fund Trustee | | 1,649,964.23 | |
| | | 8,350,035.77 | |
| Less redeemed through Sinking Fund | | 4,597,267.23 | |
| | | | 3,752,768.54 |
| CURRENT LIABILITIES— | | | |
| Accounts Payable, including Accrued Taxes | | $ 1,062,663.51 | |
| Unclaimed Dividends | | 3,899.65 | |
| Dividends payable February 1st, 1934— | | | |
| Preference | $113,685.25 | | |
| Ordinary | 138,000.00 | | |
| | | 251,685.25 | |
| | | | 1,318,248.41 |
| FUNDS APPROPRIATED— | | | |
| Benefit Plan Reserve | | $ 415,969.07 | |
| Pension Plan Reserve | | 782,233.02 | |
| | | | 1,198,202.09 |
| RESERVES— | | | |
| Operating Reserves— | | | |
| Furnace Relining and Rebuilding, and other Operating Reserves | | $ 1,863,659.64 | |
| Contingent Reserve | | 575,092.55 | |
| | | | 2,438,752.19 |
| Plant Reserve— | | | |
| Depreciation Account | | | 18,530,783.68 |
| Appropriated Surplus— | | | |
| For Betterments and Replacements | | $ 1,829,674.06 | |
| For Fire Insurance Reserve | | 200,000.00 | |
| | | | 2,029,674.06 |
| SURPLUS— | | | |
| Balance as per Profit and Loss Account | | | 12,423,104.31 |
| | | | $59,687,833.28 |

Toronto, Ont., February 28th, 1934.
Verified as per our report of this date.
RIDDELL, STEAD, GRAHAM & HUTCHISON, C.A., Auditors.

Approved on behalf of the Board,
R. H. McMASTER } Directors.
H. H. CHAMP

### Consolidated Statement, Profit and Loss Account

*For the Year Ended December 31st, 1933*

| | | |
|---|---|---|
| MANUFACTURING PROFITS for the year ended December 31st, 1933, after deducting charges for Repairs and Maintenance, and all Taxes, but before providing for Depreciation and Bond Interest | | $ 1,902,785.00 |
| INTEREST AND INCOME from Securities and Investments | | 411,484.10 |
| | | 2,314,269.10 |
| LESS PROVISION FOR DEPRECIATION | | 1,402,650.00 |
| | | 911,619.10 |
| LESS INTEREST ON BONDS | | 235,545.41 |
| NET PROFITS | | 676,073.69 |
| LESS DIVIDENDS Paid and Reserved— | | |
| Preference Shares @ 7% per annum | $ 454,741.00 | |
| Ordinary Shares @ $1.20 per share | 552,000.00 | |
| | | 1,006,741.00 |
| Deficit for the Year | | 330,667.31 |
| Balance brought forward December 31st, 1932 | | 12,753,771.62 |
| Balance Profit and Loss Account December 31st, 1933 | | $12,423,104.31 |

# Business Conditions in Canada

## The Week in Business

**Mild Winter Helps Fruit**

NEVER in the history of the Okanagan Valley has there been less winter damage to fruit trees, according to reports from that district, and it is hoped that no late spring frosts will come to damage fruit buds already near the bursting stage. Although there has been no winter damage it is expected that one result of the mild winter will be a heavy infestation of fruit pests and mildews. Growers have taken advantage of the mild weather, however, to prune trees and the result will probably be a reduction in the amount of C grade fruit produced in 1934.

Chief anxiety at the present time is the failure of any marketing act to be brought down at Ottawa. It is generally felt that the Federal Government will introduce this legislation but it is not known whether or not implementation by the provincial legislature will be necessary. It is hoped that the Ottawa legislation will be brought down in time to introduce a bill in the present session of the British Columbia legislature, if this is necessary.

* * *

**Fewer Australian Raisins**

THERE has been a considerable falling off in the import of raisins from Australia during the current fiscal year due to an oversupply being ordered in 1932 resulting in a large carryover, according to Canadian Grocer, Toronto. Imports from the United States during this period have been fairly well maintained.

Total imports of raisins during the period from April, 1933, to the end of January, 1934, amounted to 24,340,000 pounds as compared with 35,021,000 pounds in the same period of 1932-33, this being a decline of about 30 per cent. During the former period imports from Australia amounted to 13,060,000, or slightly less than half of the 1932-33 figure while imports from the United States amounted to 11,281,000 pounds as compared with 11,944,000 pounds.

* * *

**Index Lower in February**

DECLINE in The Financial Post index of business volume in February came rather unexpectedly owing to considerable improvement in iron and steel operations, in automobile production, carloadings and in prices. It should be noted, however, that the index as shown in The Financial Post this week in its preliminary form, only 27 of the 47 factors used being available. The decline that has taken place is debited to severe weather conditions stopping the free flow of goods and failure of building to improve.

Carloadings figures continue to indicate that a considerable increase in purchasing has taken place since this date a year ago. Loadings in the week ended March 10 show some significant changes from the corresponding week of 1933, as follows: coal loadings are greater by 1,487 cars, or 40 per cent; lumber and pulpwood loadings are both approximately double the figure of a year ago; l.c.l. merchandise loadings are increased by over 10 per cent and loadings of miscellaneous freight are greater by 2,901 cars or 45 per cent.

* * *

**South American Improvement**

IMPROVED conditions in South American republics are reported in the current issue of Commerce Reports issued by the United States Department of Trade and Commerce. Better coffee and sugar prices and higher prices for other agricultural products are given as the reason. Summary of conditions in a group of countries follows:

"Further gains have been recorded in **Brazil**, with commodity interest in domestic lines considerably stimulated. Much better coffee prices in Colombia and higher prices for other agricultural products have caused a moderate revival in business. The business tone in **Cuba** is better, and actual transactions have quickened somewhat with harvesting activities and the improved sugar outlook. The upward trend in **Mexican** wholesale and retail trade was resumed during February.

"Business remains uncertain in **Japan**, but greater steadiness is evident in security quatations and yen exchange. January imports into **China** exceeded those of last year, but exports were smaller; the Chinese New Year period passed uneventfully. Difficult trading conditions still prevail in the **Philippines**. The recent **Italian** debt conversion operation will greatly ease the budget charges beginning in 1937. The situation in the **Irish Free State** is unchanged, except for an increase in railway receipts."

### Retail Prices Higher Due to Food Costs Jump

General index of retail prices, rents and costs of services rose from 78.7 in January to 79.2 in February, due mainly to higher prices for foods. An index for retail prices alone advanced from 73.0 to 73.9. When foods were removed from this index it was unchanged at 78.0.

For 46 food items the index rose from 67.7 to 69.4, higher prices for meats, butter, cheese, potatoes and tea more than offsetting declines in eggs. The fuel and lighting index changed from 87.3 to 87.2, due principally to slightly reduced prices for coal and wood.

**Building Permits** issued in February amounted to $881,152 in the 61 leading cities of the Dominion. This total is 26 per cent above that of January but almost 5 per cent lower than in February a year ago.

## FORD AMASSING BIG SALES LEAD IN EAST. CANADA

### Dodge and Plymouth Gain Over Totals of Year Ago

Ford again led all other makes in total unit sales of passenger cars in Eastern Canada in February, according to an analysis made by The Financial Post of figures compiled by Might's Directories and published in Canadian Automotive Trade. Chevrolet, however, got fully into production during the month and made a much better comparative showing than in January. Between them, these two makes accounted for more than half the unit sales during the month.

Total sales in Eastern Canada during the month numbered 1,935 as compared with 1,644 in the corresponding month of 1933 and 1,647 in February, 1932. Of the February, 1934, total, the big three manufacturers — General Motors, Chrysler and Ford — accounted for over 91 per cent as compared with 87 per cent in February, 1933. Over 82 per cent of February sales were made in Ontario.

**Dodge Sales Greater**

Chrysler Corp.'s leading sellers, Dodge and Plymouth, made an excellent showing as compared with 1933, sales of the former being 47 per cent greater and of the latter over 100 per cent greater. Altogether, unit sales of all makes produced by Chrysler Corp. numbered 547 as compared with 406 in February, 1933.

General Motors suffered from a slow production start and as a result total unit sales of the corporation at 676 were 110 less than in the same month of 1933. Ford sales at 542 were exactly 400 greater than in February a year ago.

Terraplane sales at 44 were nine greater than a year ago while Studebaker's total of 36 compares with 37 for Studebaker and Rockne in 1933. Both Nash and Graham showed improvement over February, 1933, although totals were small in both cases.

**Ford Sales Third of Total**

More than one-third of the new cars sold during the first two months of the year were Fords, the total being 1,014 out of 2,933. Chevrolet, Dodge, Plymouth and Buick follow in that order.

**Eastern Canada Sales by Leading Makes**

| | Feb. 1934 | Feb. 1933 | 2 Mos. 1934 |
|---|---|---|---|
| Ford | 542 | 142 | 1,014 |
| Chevrolet | 490 | 582 | 678 |
| Dodge | 285 | 194 | 363 |
| Plymouth | 257 | 124 | 294 |
| Buick | 110 | 106 | 177 |
| Pontiac | 64 | 164 | 111 |
| Terraplane | 44 | 35 | 56 |
| Studebaker | 36 | 37 | 61 |

**Eastern Canada Sales of Leading Manufacturers**

| | Feb. 1934 | Feb. 1933 | 2 Mos 1934 |
|---|---|---|---|
| General Motors | 676 | 886 | 983 |
| Chrysler Corp. | 547 | 406 | 664 |
| Ford of Canada | 542 | 142 | 1,014 |
| All others | 170 | 210 | 272 |
| —Total | 1,935 | 1,644 | 2,938 |

## Business Briefs

**Failures** under the Bankruptcy Act during the week ended March 10 numbered 18 as compared with 35 in the corresponding week a year ago. Failures to date total 242 as compared with 409 in the same period of 1933, a decrease of 40.8 per cent.

**Imports** in February amounted to $33,591,884 as compared with $32,391,000 in the previous month and $23,514,000 in February a year ago.

**Exports** in February were valued at $37,842,403 as compared with $46,652,000 in January and $26,398,000 in February, 1933.

**Car Loadings** in the week ended March 10 amounted to 43,494 cars, an increase of 9,123 cars over the same week of 1933 and 1,755 cars greater than in the previous week. The adjusted index rose from 71.56 to 73.9. A year ago it stood at 58.4.

## Commodity Prices

| | Latest week | Previous week | Same week last yr. |
|---|---|---|---|
| Cattle, cwt. | $6.50 | $6.50 | $5.00 |
| Copper, lb. | .08 | .08 | .05¾ |
| Cotton, lb. | .1235 | .1235 | .0655 |
| Rubber, lb. | .1125 | .1120 | .0309 |
| Sugar, raw, lb. | .0310 | .0320 | .03 |
| Silk, lb. | 1.40 | 1.47½ | 1.27½ |
| Wheat (Man.) bu. | .66¾ | .67⅝ | .49½ |
| Hides, lb. | .09½ | .09½ | .06 |
| Coffee, lb. | .11¼ | .11¼ | .08¼ |

**Weekly Indices**

| | Latest week | Previous week | Same week last yr. |
|---|---|---|---|
| N. Y. Annalist | 109.00 | 108.2 | 82.7 |
| Fishers' | 74.6 | 74.5 | †63.6 |
| N. Y. Journal of Comm. | 75.0 | 74.5 | 54.0 |
| Crumps (Brit.) | 65.3 | 65.4 | †62.4 |
| U. S. Labor | 73.6 | 73.4 | 59.6 |

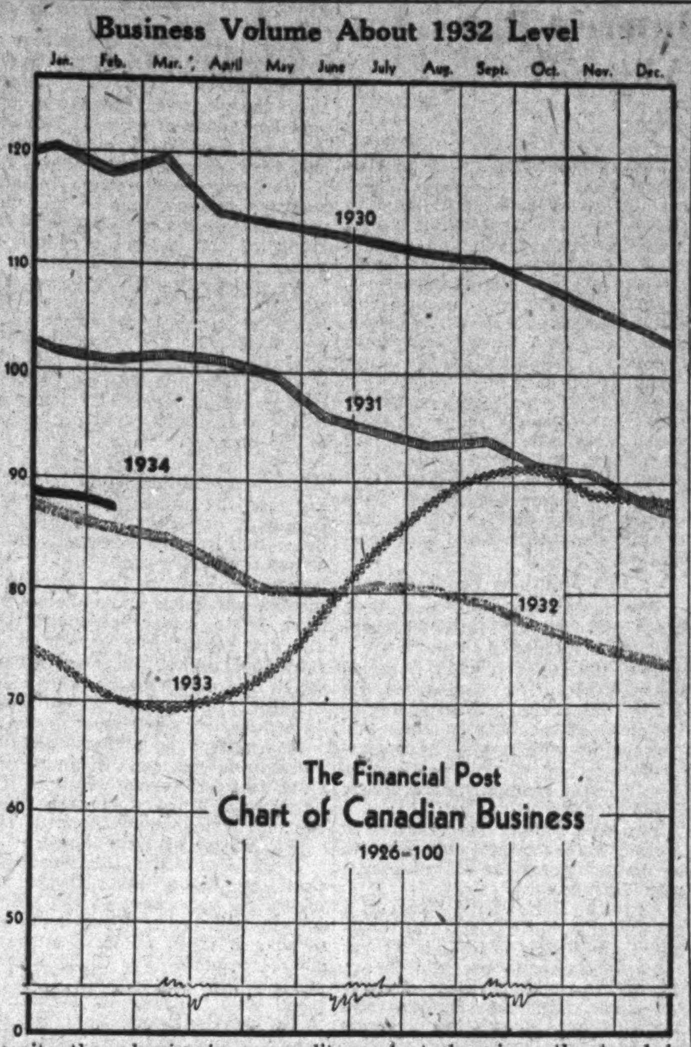
†Average, 1933.

**Monthly Indices**

| Canada (D.B.S.) | Latest w'sale | Prev. month | Same month last year |
|---|---|---|---|
| W'sale (Feb.) | 72.1 | 70.6 | 63.6 |
| Retail (Feb.) | 79.2 | 78.7 | 78.4 |
| U. S. Labor (Jan.) | 72.2 | 70.8 | 61.0 |
| Gt. Brit. (Jan.) | 70.7 | 69.6 | 67.7 |

Note: Indices all on base 1926 = 100 except N. Y. Annalist which is 1913 ± 100. British index is Board of Trade converted to 1926 base.

Basis of price quotations is as follows: cattle—steers, good, over 1,050 lbs., top price. Toronto: copper—electrolytic, New York: silk—Japanese, 13-15, New York: sugar—96 degrees centrifugal c/f New York: wheat—No. 1 Man. North., Ft. W.-Pt. A. basis: hides—heavy native steers: coffee—Rio, No. 7, spot, New York.



Despite the advance in commodity and stock prices, the trend in business operations, according to preliminary figures of The Financial Post index of the physical volume of business, was downward in February even after adjustment for seasonal tendencies. The factors relating to mineral production were uneven, silver, lead and zinc showing gains, while nickel and copper were exported in lesser volume. The flour milling industry was more active and the meat packing industry accelerated operations.

The sugar industry showed contraction and exports of cheese and canned salmon recorded declines. The lumber industry was more active, while a moderate decline was shown in newsprint production. Low levels were continued in the construction industry and primary iron and steel production registered recession, while a gain was shown in motor car output.

*The Financial Post Business Index is an index of the physical volume of business in Canada computed from 47 weighted factors with seasonal adjustment.

## Feb. Business Trend Down Preliminary Returns Indicate

### Decline of About One Per Cent Shown by The Financial Post Business Index Although Commodity and Stock Prices Advanced Strongly

By SYDNEY B. SMITH

Business operations dropped off moderately in February from the first month of the year, preliminary calculations indicating that declines predominated even after adjustment for seasonal tendencies. The severity of the weather and deep snows doubtless interfered with operations especially in construction and in logging. The preliminary index of business operations was 87.3 compared with 88.1 in January.

Receipt of complete information may improve the showing somewhat, but decline was predominant among the twenty-seven factors available at time of computation. A number of components had shown brilliant gains in January and the return to more normal levels in February had its effect on the general index.

**Sharp Price Advance**

Highlights of the month were found in the realm of prices, the sharp advance in commodities, bonds and stocks presenting a picture of returning prosperity. Wholesale prices averaged two per cent higher, a striking advance for a single month. The official index expressed as a percentage of the average for 1926 was 72.1, a gain of 1.5 points over January. The low point of the depression was reached in the corresponding month of last year when the index was 63.6. In the last twelve months the gain has been 9.5 points or about 13.5 per cent. We have already gone far in retracing our steps toward a higher level of prices, having counterbalanced the drop from May, 1931, to February, 1933, the minimum of the depression.

Common stock prices averaged considerably higher in February than in the first month of the year, the official index for 121 stocks being 86.5 compared with 81.6. An advance in high-grade bonds was also characteristic of the month under review, Ontario government bonds yielding 4.60 per cent compared with 4.66 in January. Dominion government bonds also recorded marked gains.

**Production Lower**

Despite the improved financial background, production operations failed to respond in February.

**Minerals**—The factors showing the trend of mineral production were mixed. Lead production was heavier in the latest month for which statistics are available, and the movement of silver to external markets showed a gain. Exports were 1,356,000 ounces compared with 1,110,000 in January. Exports of copper and nickel showed decline from the relatively high level of January even after seasonal adjustment. The index of copper exports declined from 188.1 to 183.0, while the index of nickel exports was 156.9 compared with 244.8. Nickel exports were 5,469,700 pounds compared with 11,229,800. Shipments of copper to external points were 14,210,500 pounds compared with 18,070,900. The index of asbestos exports was 53.9 compared with 82.4.

**Milling**—The milling industry was more active in the latest month for which statistics are available. The output of wheat flour was 1,042,500 barrels compared with 967,300, the index moving up from 59.1 to 63.1. Rolled oats production also showed recovery from the low level of the preceding month, the output being 10,800,000 pounds compared with 7,468,000. Oatmeal and corn flour also recorded increases.

**Sugar**—The manufacture of sugar in the second 4-week period of the year was 19,845,000 pounds compared with 22,657,000, while a gain would naturally have been expected from seasonal considerations. The index consequently dropped off from 42.7 to 27.4.

**Meat Packing** — The decline in inspected slaughterings was less than normal for the season, the index moving up from 121.6 to 139.0. Cattle slaughterings were 84,475 head compared with 91,354. Hogs numbered 262,834 head compared with 269,531. After seasonal adjustment, a gain of 7 per cent would be shown in cattle slaughterings and 14.5 per cent in hogs. February exports of cheese and canned salmon showed declines greater than normal for the season.

**Tobacco**—Releases of cigarettes and raw leaf tobacco showed gains in February after seasonal adjustment. The number of cigarettes made available for consumption was 312,800,000 compared with 267,400,000, the index moving up from 133.9 to 161.4. The index of cigar releases dropped from 56.9 to 47.2, but the index of tobacco releases generally recorded a gain of 14.8 per cent.

**Rubber and Leather**—The manufacture of tires was not quite so heavy in the last month for which statistics are available. The boot and shoe industry was more active, the index advancing from 61.9 to 75.2.

**Wood and Paper**—Despite the moderate decline in newsprint production, the wood and paper index showed a gain at 96.7 compared with 96.4. The output of newsprint was 174,447 tons compared with 188,374, the recession in the index being limited to 0.6 per cent. Wood pulp exports were 83,135,000 pounds compared with 95,483,000, the decline being mostly due to seasonal causes. The movement of planks and boards to external markets made an excellent showing, the total being 104,952,000 feet compared with 93,983,000. The export of shingles was 77,833 squares compared with 70,570, the index being 56.3 as against 54.1.

**Iron and Steel**—The reduced output of pig iron was a disappointing feature in the records of the iron and steel industry. The production of steel ingots and castings was nearly maintained. The gain in the output of automobiles was slightly greater than normal for the season. The iron and steel index was 52.3 compared with 55.5 in January.

**Coke**—Production in the latest month for which statistics are available was 194,957 tons compared with 187,762.

**Construction**—The low level of new business obtained by the construction industry was continued in February. Contracts awarded were $5,635,000 compared with $6,703,000 in the first month of the year. The index after usual adjustments was 42.0 as against 60.2. The gain in building permits was less than normal for the season, the index retreating to 14.4 compared with 15.8.

**Trade**—Carloadings were 164,086 compared with 176,469, the index being 71.4 as against 73.6. Imports registered a gain, the total being $33,592,000 compared with $32,391,000; the adjusted index moving up from 62.8 to 64.0. The decline in exports was much greater than normal for the season, the index dropping from 75.4 to 63.7.

## FEB. PRODUCTION OF NEWSPRINT MOVES AHEAD

### Trend More Encouraging Than at Any Time Since 1931

From Our Own Correspondent

MONTREAL — Newsprint production in Canada last month at 174,447 tons was the largest for any February since 1931. The gain for the month, in spite of fewer working days, was the largest so far, being up 48,837 tons or almost 39 per cent. In January the industry reported a gain of 47,835 tons over the same month last year.

From a seasonal basis, February, partly on account of a slipping off in demand and partly because of the shorter month, usually proves the smallest month of output of the whole year. A marked change in production for February this year, therefore, is taken as an indication of the continued improvement which has taken place in the demand for newsprint over the last six or eight months.

**Other Areas Gain**

Production in the American mills was 72,402 tons. This compares with 67,700 tons for the same month last year. The trend of output in the United States, however, has been steadily downward and while the output last month was somewhat better than a year ago, it is still far below the average which has prevailed over the last ten or fifteen years.

During February, 22,038 tons of newsprint were made in Newfoundland and 1,471 tons in Mexico, according to the News Print Service Bureau, so that the total North American production for the month amounted to 270,358 tons. This was appreciably larger than reported for February last year.

**Well Ahead So Far**

For the first two months of 1934 Canadian mills produced 98,032 tons more than for the corresponding period of 1932, or an increase of 37 per cent. The output in the United States was 15,270 tons or 11 per cent more than for the first two months of 1933. Newfoundland reports a gain of 7,834 tons or 20 per cent more, while Mexican production is up 164 tons, making a total increase for the first two months of this year of 121,300 tons, or 27 per cent more than reported in 1932.

**Demand Keeps Pace**

Consumption of newsprint in February kept pace with the larger output. Canadian mills shipped 169,054 tons last month—the fourth largest February total ever reported by the industry. American mills shipped 69,251 tons in February, 1934, compared with 66,900 tons last year.

Stocks of newsprint paper at Canadian mills at the beginning of March are figured at 40,445 tons and of United States mills, 22,060 tons, making a combined total of 62,505 tons. This compares with 53,961 tons at the beginning of February. It is reported by the News Print Service Bureau that the small increase in stocks during January and February was due chiefly to an accumulation of tonnage to be shipped later by water.

**Unions Seek Concessions**

The latest development in the Canadian newsprint field was the demand of union labor in the Canadian newsprint industry for shorter working hours and increased wages. Conferences were held in Montreal last week between union leaders and representatives of the companies but no conclusions were arrived at.

The unions, representing skilled labor in all departments of the industry, asked for three major points: a six-hour day, a six-day week, and a 25 per cent increase in wages with a minimum wage of 45 cents an hour.

The companies' spokesman neither rejected nor accepted the claims of the unions. The issue will not be settled until individual meetings between the union companies in the newsprint industry and the union have been held. All these meetings, which will take place in all parts of Ontario and Quebec, must be concluded before May 1, when the trade agreements covering wages, working conditions will expire, and by which date settlement of some kind will have to be reached.

**Attitude of Companies**

At present the attitude of the companies toward the demands of the unions that working wages similar to those in effect under the N. R. A. in the United States be instituted, and that wages actually in excess of those specified under the Newsprint Code of the N. R. A. be paid, is that these expectations are too great in view of the present economic depression.

One of the greatest difficulties to be overcome in arriving at an amicable settlement, is the fact that in Quebec the majority of the plants are manned by non-union labor. John E. Patterson, of Abitibi Power and Paper Co. and Provincial Paper Co., official spokesman and representative of the companies, stated that considerable progress had been made of late by the unions in organizing these open shop mills, and in some instances as high as 95 per cent organization had been effected. He anticipated that before the end of the summer open shops will be practically abolished in the industry.

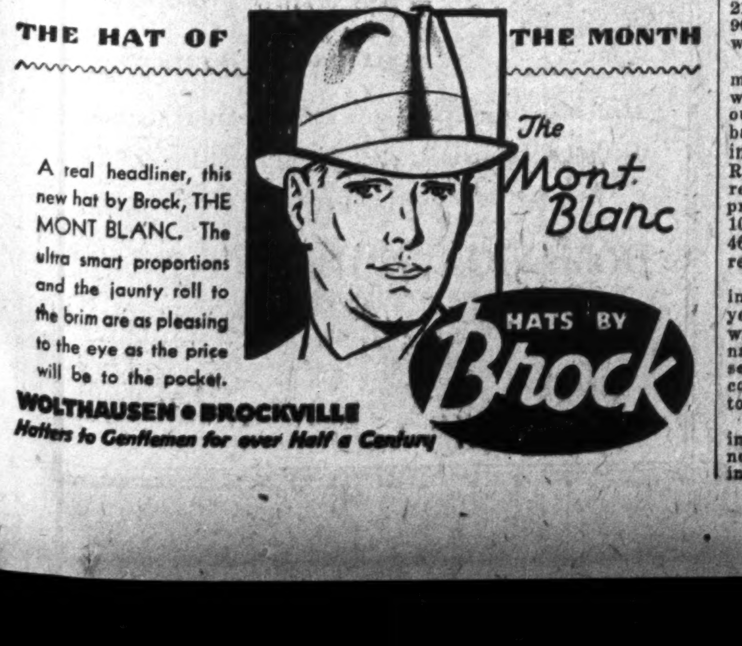
## Canadian Business Indicators

Compiled by The Financial Post

▲Denotes new figures this week.

| | Weekly Latest 1934 | Weekly Latest 1933 | Cumulative Jan. 1 to date 1934 | Cumulative Jan. 1 to date 1933 |
|---|---|---|---|---|
| **Transportation—** | | | | |
| Car loadings, (Mar. 10 | ▲43,494 | 34,371 | 405,354 | 324,797 |
| C.P.R. gross earn. (Mar. 14) | $ ▲2,184,000 | $ 2,011,000 | $ 22,000,000 | $ 18,771,000 |
| C.N.R. gross earn. (Mar. 14) | $ ▲3,234,723 | $ 2,415,539 | $ 29,399,988 | $ 24,011,997 |
| **Business Conditions—** | | | | |
| Weekly Index D.B.S. (Mar. 16) | ▲90.9 | 91.3 | ...... | ...... |
| | Monthly | | | |
| C.P.R. net earn. (Jan.) | $ 888,989 | 323,872 | ...... | ...... |
| C.N.R. net earn. (Jan.) | $ ‡808,966 | $ ‡1,907,424 | ...... | ...... |
| **Iron and Steel—** | | | | |
| Pig iron, tons (Jan.) | 30,677 | 29,209 | ...... | ...... |
| Steel, tons (Jan.) | 60,787 | 40,766 | ...... | ...... |
| Auto. prod. No. (Jan.) | 6,904 | 3,358 | ...... | ...... |
| **Auto Vehicles—** | | | | |
| Passenger, sales, No. (Jan.) | 1,876 | 1,624 | ...... | ...... |
| Trucks & buses, sales, No. (January) | 289 | 178 | ...... | ...... |
| Auto. exports, No. (Dec.) | 1,657 | 1,132 | 20,900 | 13,022 |
| **Construction—** | | | | |
| Building permits (Feb.) | $ ▲881,152 | $ 925,894 | $ 1,574,114 | $ 2,111,855 |
| Contracts (Feb.) | $ 5,635,100 | $ 3,149,300 | $ 12,388,000 | $ 6,511,700 |
| **Newsprint—** | | | | |
| Production, tons (Feb.) | ▲174,447 | 125,916 | 362,821 | 266,455 |
| Exports, tons (Jan.) | 187,820 | 127,779 | ...... | ...... |
| **Sugar—** | | | | |
| Imports, raw, lbs. (Jan.) | 10,751,800 | 8,621,900 | ...... | ...... |
| Melt. & ship., lbs.* | 20,069,718 | 19,041,407 | 36,690,823 | 37,808,036 |
| Manufactured, lbs.* | 19,844,708 | 20,347,109 | 42,502,105 | 47,650,242 |
| **Flour—** | | | | |
| Production, bbls. (Jan.) | 1,042,505 | 859,107 | ...... | ...... |
| Wheat flour exp., bbls. (February) | 328,376 | 332,114 | 776,874 | 739,418 |
| **Other Industrial Indices—** | | | | |
| Lumbering: Plank & Board Exports, mill. ft. (Jan.) | 93.98 | 39.17 | ...... | ...... |
| Boots and shoes, pr. (Jan.) | 1,030,667 | 921,898 | ...... | ...... |
| Petroleum, imp., crude gal. (January) | 57,602,568 | 35,084,950 | ...... | ...... |
| Cotton, imp., raw, lbs. (January) | 8,409,000 | 8,765,000 | ...... | ...... |
| Rubber, raw, imp. lbs. (Jan.) | 3,854,398 | 2,663,414 | ...... | ...... |
| Coal, imports, tons (Jan.) | 542,551 | 486,206 | ...... | ...... |
| Gasoline sales, gals. (Dec.) | 28,070,000 | 29,674,000 | 485,550,000 | 503,781,000 |
| **Trade—** | | | | |
| Imports (Feb.) | $ ▲33,591,884 | $ 23,514,114 | $ 65,983,308 | $ 47,955,247 |
| Exports (Feb.) | $ ▲37,842,408 | $ 26,397,528 | $ 84,494,420 | $ 57,959,341 |
| Wheat exports, bu. (Feb.) | 6,512,686 | 10,922,337 | 13,600,997 | 25,629,138 |
| **Labor—** | | | | |
| Employment Index (Feb.) | 91.4 | 77.0 | ...... | ...... |
| **Electric Power—Output—** | | | | |
| M. Kilowatt hours (Jan.) | 1,728,561 | 1,396,661 | ...... | ...... |
| **Finance—** | | | | |
| Failures, No. (Dec.) | 159 | 196 | 2,044 | 2,420 |
| Failures, Liabilities (Dec.) | $ 2,344,772 | $ 7,886,377 | $ 32,953,858 | $ 51,629,303 |
| Bank debits (Jan.) | $ †2,597,015 | $ 1,968,876 | ...... | ...... |
| Bond sales (Feb.) | $ 254,154 | $ 209,000 | $ 44,172,154 | $ 20,401,610 |
| Insurance sales (Jan.) | $ 27,925,000 | $ 29,367,000 | ...... | ...... |
| **Automobile Financing—** | | | | |
| Used cars (January) | $ 477,217 | $ 544,476 | ...... | ...... |
| New cars (January) | $ 362,828 | $ 456,275 | ...... | ...... |

*Four weeks period, Feb. 3 to Feb. 28. †(000's omitted). ‡Deficit.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The Mont Blanc
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During a man's lifetime he is able to serve others on various occasions and the feeling of human satisfaction in a service rendered has been quite natural.

Such satisfaction is ours when we can be of help beyond our services as executor and trustee, for beyond the legal duties there is our understanding of the loss of counsel and guidance suffered by the family.

It may not have occurred to you that this institution is made up of men and women all with a human interest in their desire to be helpful to others.

And, in the matter of serving as your executor or trustee, there is also the added benefit to your family of our constant availability.

*Executor and Trustee since 1897.*

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*Successors to*
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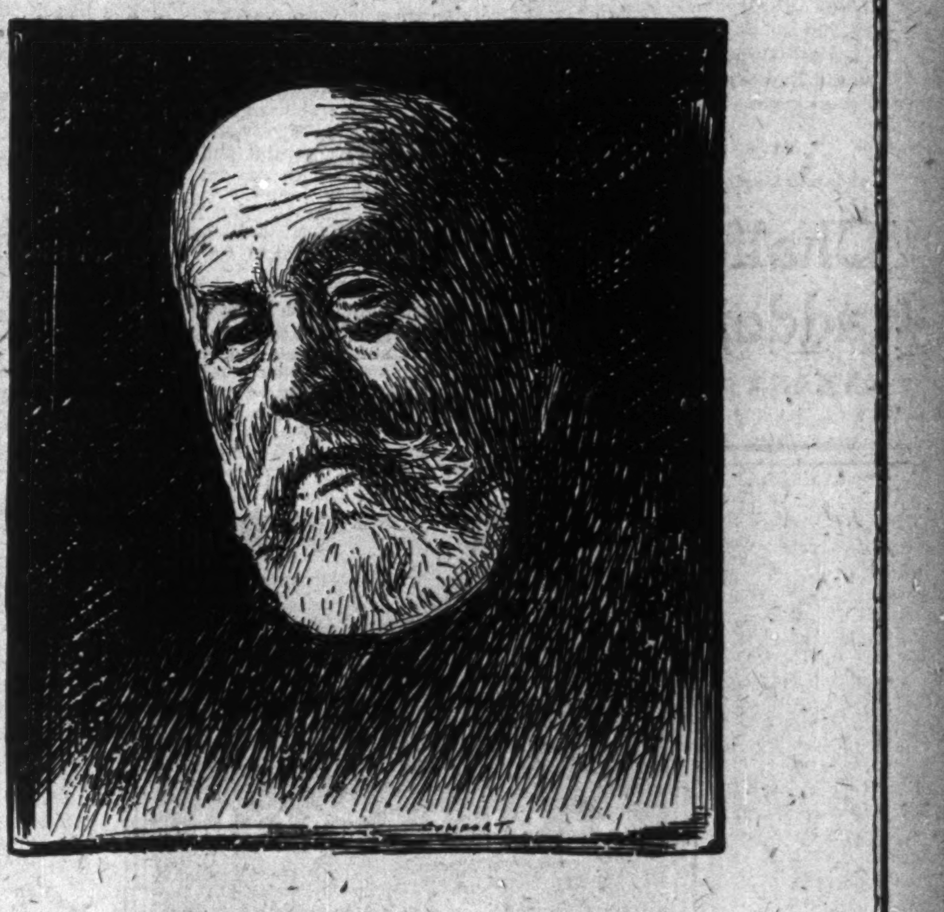
CREDIT RATING BOOKS — FINANCIAL REPORTS
*16 Offices in the Dominion*



*He Decided not to expect Free Service*

He was convinced that a trust company as executor could give his estate the most efficient management. But he couldn't convince himself that the cost would be justified. "And," he said to himself, "I don't know a more level-headed business man than old George."

He appointed his friend; but he was astonished at the response when he told him he had done so.

"If I were my great-grandfather," said "old George," "and you were your great-grandfather, I shouldn't like it but I should take it on—because, you see, it would be a hundred years or so ago. There wouldn't be anyone else to do it, except another friend, and I shouldn't want to seem unappreciative of your confidence. But that's all changed now. The trust company can manage property better than I can, and even if I could do it as well, the fees are fixed by the Court in any event."

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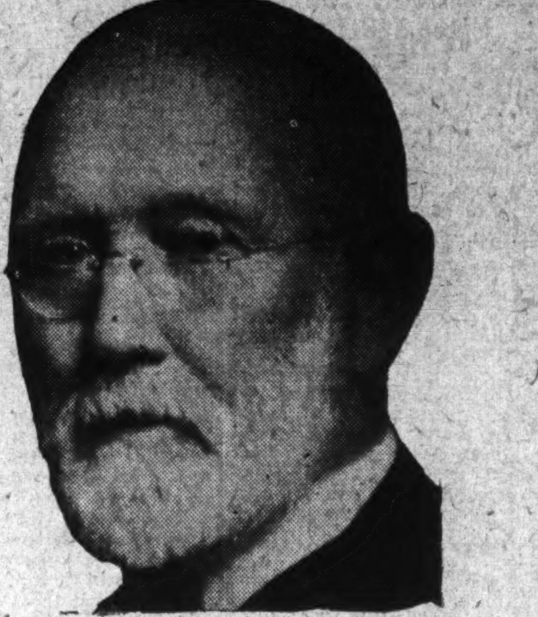
# "I Believe in Canada - - -" Sir J. Flavelle

## But Great Canadian Financier Feels Arbitrary Cutting of Interest Rates Not Cure-All For Present-Day Ills—World Outlook Viewed

By SIR JOSEPH FLAVELLE, Bart.*



SIR JOSEPH FLAVELLE, BART.

I believe in Canada—in her future—in her astonishing future.

Whatever difficulties, anxieties, and concerns we may have in common with the rest of the world, and which may last a longer or shorter period, they play no part in my thinking concerning the ultimate future of this great country.

### Two World Ailments

The nations of the world are commonly suffering from the tragic consequences of two serious disabilities, both the direct and indirect outcome of the Great War.

First—International bitterness, ill feeling, distrust, and fear, with consequent demoralization of international credit and exchanges, the serious impairment of national currencies, the dramatic reduction in international trade and commerce, with political disturbances of grave import.

Second—A burden of national debts, private and public, and with them, a serious impairment in sense of scale, balanced judgment, and good sense in the citizen bodies, occasioned by the circulation to them of immense sums of borrowed money, for the repayment of which they were responsible, yet had no conscious knowledge of it.

### World-wide Effects of War

As to the first of these disabilities. Men and women the world over are yet slow in understanding that when the Governments of the nations concerned, during the years preceding 1914, failed to agree on measures for settlement of their differences, and there was an appeal to force of arms and war, it was inevitable that there would follow, not only the death or disablement of tens of millions of the flower of young manhood, but distressing world-wide consequences, with accompanying economic breakdown and unemployment, from which all nations, for years, have been, and are still suffering.

There are tens of millions of men and women throughout the world today, without work, many of them with blighted homes and broken spirits, because of this international hatred, distrust and fear. It has been forgotten that health and vitality in all business development and affairs wherein workers secure employment, are promoted and established through goodwill and understanding between the members of the human family, with mutual confidence in stabilized currencies, in international credits and exchanges, producing natural and fair dealings, nation with nation; or disastrous penalties, and economic breakdown and unemployment, when international hatred, fear, want of confidence, and distrust, are in the saddle.

This would be true under any system, whether Capitalistic, Communistic, Socialistic, or other system of society. The true lesson of our trials in this depression is that wars are not only cruel and wicked, but disastrously destructive beyond any measure of our understanding. Do you realize that the nations have continued, since the Armistice, for fifteen years, and still continue, in a state of war, though not in armed conflict?

### Effect of Debt Structure

As to the second disability—national and international debts.

A recent estimate seems to establish that the expenditure for the war by the nations engaged in the conflict, reached the astonishing total of two hundred and eight billion dollars.

An American writer has sought to help his readers to an understanding of what one billion dollars mean. He states:

"If you had a dollar for every minute since the beginning of the Christian era to the present time, you would have about one billion dollars. It follows, therefore, that with the war costing two hundred billions of dollars, it would be equal to $200 a minute from the administration of Julius Caesar to that of Franklin Roosevelt." And he adds what few have realized—"the nations paid for it mainly by charging it to the future."

### Borrowing and Spending

For how was this great sum secured?—borrowed—practically all borrowed, and in the brief space of four years.

Who received the money? The citizen bodies of the nations concerned, and in the same brief period of four years—farmers, industry, labor, and all those associated with activities which enter into national life, except certain of the professional classes, notably teachers, ministers, and priests.

Possessed of these borrowed moneys, for repayment of which they were responsible (without conscious knowledge of it), the citizens greatly increased their personal and corporate expenditures. Enjoying these, they pressed upon every secondary form of Government to make expenditures, upon roads, upon railways, upon schools and other buildings, upon enlarged social services, upon pensions, and what else they wanted, at Government or municipal charge. In consequence, these governing bodies borrowed and spent, and spent and borrowed, and a whole new tide of borrowed money was distributed to the same citizen bodies as had received the war expenditures.

### Canada's Mounting Burden

What illustration does Canada offer of these conditions?

As far as debt is concerned, I would let the record of our federal, provincial, and municipal indebtedness tell the story.

The direct bonded debt (including some guarantees) of the Federal Government when we entered the war, was $435,000,000. This was the accumulated unpaid balances of federal expenditures, including all capital expenditures, in excess of the sum collected by taxation, from the year 1866 to 1914 (48 years).

By 1918, the debt and guarantees had increased to approximately $2,000,000,000 by reason of the expenditures for the war.

By the end of 1933, to approximately $3,000,000,000. The increase being for capital expenditures and borrowings, to cover annual treasury deficits through years of unbalanced budgets, which still continue.

There was a further increase of one billion dollars, from guarantees to pay principal and interest upon bonds of the Canadian National Railways.

Hence, the $437,000,000 federal indebtedness, with guarantees, in 1914, had increased by 1933, practically ten times; the $437,000,00 having grown into $4,000,000,000, with annual charges correspondingly increased, and a new liability established for pensions, which has grown to approximately one million dollars per week.

### Provincial and Municipal Debts

As to provincial Governments. In 1914, the accumulated bonded indebtedness was $158,000,000. At the close of the war, $289,000,000. At the end of 1932, $1,363,000,000. An increase of debt and debt charges for purely provincial purposes of nine times from 1913, and four and a half times from the close of the war to the end of 1932.

As to municipal Governments. The bonded indebtedness of all classes of municipalities throughout the Dominion in 1914 was $561,000,000. In 1918, $676,000,000. At the end of 1931, $1,275,000,000.

The aggregate bonded indebtedness for Dominion, provinces, and municipalities, which in 1914 was $1,149,000,000; in 1918, $3,010,000,000; had grown, with Federal Government guarantees, to $6,650,000,000, by the end of 1933.

During the same period, the mortgage indebtedness of private persons, and business corporations, and the bonded debt of corporations, had multiplied many times.

### Imposed by Popular Vote

This multiplication of debts, of staggering proportions, was not placed upon our people by a few highbrows, whose ill-judgment and extravagances led the country into this dilemma. It was determined by councils, legislatures, houses of parliament, chosen by popular vote, which, notwithstanding the borrowed money must be chiefly repaid by taxation, were constantly under pressure from citizens, corporations, and press, to spend, to spend, on something that the public fancied, and still the cry is heard for continued Government expenditures, curiously and illogically accompanied by bitter complaint of high taxation.

While the war expenditures were our irreduceable obligations, which established a heavy burden to be met by federal taxation, our citizens' reaction to the distribution of these war moneys was an urgent call for continued and greater expenditure, without giving serious consideration to the inevitable increased tax burden.

### Other Sources of Revenue

What I have said, however, is not the whole story of the distribution of money to our people during the period of the war. The Imperial Government spent in Canada, during the years of the war, $1,200,000,000, upon munitions and other supplies. While the money was distributed to our people, we have no liability for its repayment. This charge is being borne by the taxpayers in Great Britain.

Further, from the years 1914 to 1920, the United States sent into this country, $2,500,000,000 for the purchase of timber limits, pulp and paper limits, power enterprises, and their development, the building of sawmills and paper mills, investment in mines, and general investment in various types of business, as well as a moderate purchase of securities.

Perhaps we should not be surprised that this immense aggregate inflow of money distributed to the citizen bodies, led to mad money lust, provoking greed and selfishness in trading operations; it led to servant girls, mistresses, nurses, chauffeurs, laborers, clerks, farmers, business executives, teachers, doctors, lawyers, and I fear some preachers, gambling on the stock exchanges, that they might get something for nothing, and before they were through, many of them found they received nothing for something, and the curious thing about it is they blame others for it, and not themselves. Many of the debtor classes calling the loudest are the disappointed and mad speculators.

### Two Solutions Proposed

Two broad proposals have been made for assistance in deliverance from our troubles in Canada:

One—To abandon what is called the capital system, and substitute for it, radical changes, according to the views of various exponents, and concerning which, you have particulars in press and parliament, and from the headquarters of a new political party.

Two—To require the creditor to scale down the capital sum of debts or maturing, and/or to reduce the rate of interest.

As to the first, I but indicate that not systems, but the state of men's minds and hearts is what is wrong.

I believe when our children are out of the woods of these disturbing times, important changes and modifications in existing systems will have been established, as they have been all down through the centuries, in the light of new experiences. I do not even venture a conjecture what will be the character of the changes, but I believe, to be effective, they must be worked out with patience and understanding, rather than with noisy intolerance and uninformed agitation.

### Pitfalls of Interest Cuts

As to the second proposal—that the creditor reduce his capital debt, of whatever form, and/or the rate of interest it bears. May I state some things concerning the creditor and debtor classes which may be new to you, in the hope you will come to a realization that arbitrary action in cutting down interest or principal upon obligations due, is not as simple as it seems.

### The Case For Life Companies

Life insurance companies are a very important member of the debtor class, inasmuch as in each policy issued there is a covenant to pay the face value of the policy at its due date, according to its terms. They are also important members of the creditor class, inasmuch as their ability to pay their pledges as debtors is conditioned upon the soundness of their investments of the reserves set up, upon which their payments upon policies as they fall due are predicated.

In their debtor capacity, the life insurance companies have issued, payable in Canada, 6,933,998 policies, for a total sum of $6,800,000,000.

In their creditor capacity, the companies carry $1,159,000,000 of reserves, which, on an actuarial basis, are needed to ensure honoring their contract to pay their policy obligations as above stated.

These policies and reserves represent the cumulative savings of Canadian people during the past fifty or more years, invested in life insurance, for the purpose of making provision for their loved ones upon their decease. The reserves are invested in Government and municipal bonds, in first mortgages upon real estate, and to a much lesser degree in high grade bonds.

Reducing by arbitrary act of Government, the capital debt and interest charges of Dominion, provincial, and municipal bonds, and first mortgage securities on real estate, there might be an impairment of the life companies' ability to pay their policy claims in full. I ask you to consider the sense of dismay which would be created if any arbitrary act for the benefit of some classes of debtors should even suggest the possibility of impairment of the face value of life insurance policies.

### The Trust Company Position

A second debtor and creditor class of great importance are the trust companies and private executors. The estates of deceased persons are committed to them for administration. Unless otherwise directed by the testator, they must invest the proceeds of the estate in trustee securities, broadly, Government and municipal bonds, and mortgages upon real estate. Hence, arbitrary action in reducing the capital value and interest of these securities vitally affects all who are dependent upon the earning power and value of estate investments. In many cases, the beneficiaries are to receive only the income from the investments, the corpus or capital, at their death, passing on to others.

Many, very many, estates are for small amounts, and impairment of income would be a serious matter to the beneficiaries; indeed, is now, because so many mortgages held on their account are in arrears for interest, and to some extent because of the arbitrary action of legislatures, in listening to representations made on behalf of the debtor class, without considering the effect upon the creditor class, in this case, beneficiaries under wills of deceased persons.

### Banks are Business Custodians

The ten chartered banks in Canada are custodians of the country's most important and constant supply of money, for the express purpose of supporting business requirements, furthering constructive measures in the development of natural resources, affording facilities for easy settlement of the nation's domestic and foreign exchanges, and generally making possible, from sea to sea, the daily transactions in affairs which, in ever changing form, have a money or exchange requirement.

Neither the urge for profits by the banks, the scolding of uninformed critics within or without parliament, the selfishness of big interests, the anxiety of borrowers who are pressed to pay their loans, or disappointed would-be borrowers, should be influential with the banks, and commonly are not, in securing a departure from sound practice in the administration of this great trust.

These banks are also members of both creditor and debtor classes. Among other duties as creditors, they carry current loans to current borrowers of from $1,100,000,000 to $1,400,000,000, and as debtors, they carry savings bank deposits for about the same variable sum, and in addition, a body of current deposits, being balances to the credit of the current accounts of business firms and corporations.

An astonishing thing about the savings bank deposits in all the banks in Canada is their constancy, and it is upon this constancy the banks depend to an important degree for a supply of funds whereby they meet the demand for loans incident to the business requirements of the country.

### Six to One

You may be interested in learning that the number of these savings bank depositors is roughly six depositors to one borrower. It is commonly forgotten that the banker is loaning the depositor's money, and if the loans are not repaid, or to whatever extent they are not repaid, the banker is at fault in unduly risking money which the depositor has furnished in full confidence that it will be returned to him when he calls for it.

And may I add, that Canadian banking losses, at all times, are chiefly caused through failure of a percentage of borrowers to repay the money loaned to them.

### A Matter of Vital Concern

It follows from the foregoing that the banks carry large reserves for assurance of the safety of all their enterprises on their own and the public's account. These reserves are held almost entirely in cash and Government and municipal securities, therefore the impairment of the capital value of these securities (which aggregate a great sum) by arbitrary action of Government in setting aside contract conditions to pay a stated interest and repay capital, is a matter of vital concern to the security and safety of our whole financial structure.

I make these several statements concerning debtor and creditor classes because there is a foolish notion that selfish, rich people, and greedy bankers only will be hurt if the proposal to reduce principal and interest on loans is enacted by parliament and legislatures. I have sought to carry your judgment that a proposal to modify or break a contract to pay interest and repay capital, must not be lightly entertained, but must be subjected to serious enquiry and wise determination concerning the consequences of such a procedure.

What part can you and I play? It is not for us to be in the big plans, but we should plan to carry on with courage and sustained effort in our daily duties, to perform them better, not worse, because there is so much trouble and anxiety. We will remember that sustained betterment and restoration depend upon the persistence of those qualities which rest upon character and purpose—hard work, patient pertinacity, willingness to co-operate—and beyond these, are two specifically English assumptions—common sense, and the transformation of an antagonist into a privileged colleague.

---

*From an address given recently by Sir Joseph Flavelle.

## Note Circulation Reduced By $830,000 in February

Dominion notes in circulation dropped by $830,119 during February. The amount outstanding at February 28 was $175,808,729 as compared with $176,638,848 at the end of January and $175,701,103 at the end of February, 1933. Of the reduction in February, $421,000 was in notes of $1 and $2 denomination and the balance largely represents decline in legal tender for banks.

Gold held by the Minister of Finance has dropped by $303,000 to a total of $71,518,654 at February 28. Amount held in excess of statutory requirements is down to $381,733 from $845,367. Gold holdings at February 28, 1934, were as follows:

Gold Held by Minister of Finance, Feb. 28, 1934

| | $ |
|---|---|
| Against savings deposits (10% on $22,721,924) | 2,272,192 |
| Against notes as required by Dominion Notes Act | 68,864,729 |
| In excess of statutory requirements | 381,733 |
| | 71,518,654 |

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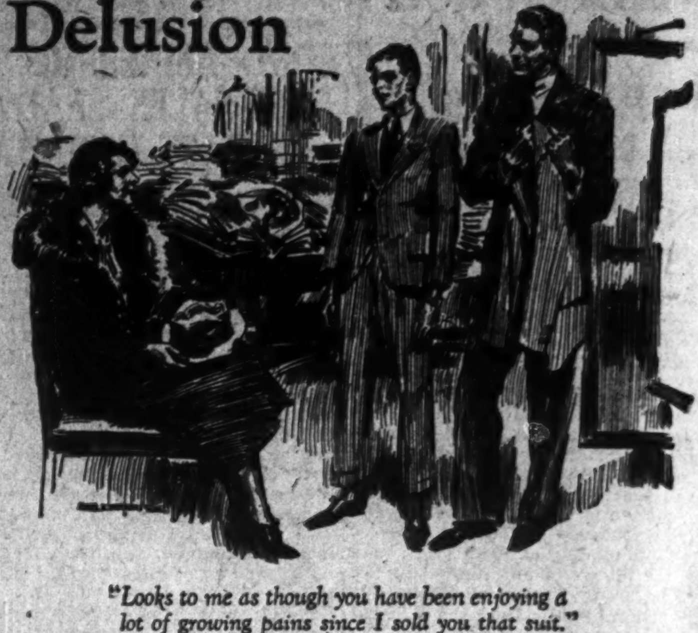
The "Growing Pains" Delusion



"Looks to me as though you have been enjoying a lot of growing pains since I sold you that suit."

CONTRARY to widespread belief, children do not suffer pain just because Nature is making their bones longer and their muscles stronger. It does not hurt to grow.

Whenever a child suffers from so-called "growing pains," a thorough investigation should be made by a physician. "Growing pains" come from definite causes. Among them are improper nourishment, muscular fatigue following over-exertion, exposure to cold or inclement weather when not suitably clothed, improper posture which may induce flat feet, round shoulders, round back, flat chest, pot-belly, curvature of the spine. Tuberculosis of the joints is a rare cause.

One of the most serious causes of "growing pains" in childhood is rheumatic infection. Indeed, if it is disregarded, it may lead to permanent damage to the heart.

The onset of rheumatic infection is often so insidious that its danger to the heart may be unsuspected. This infection may cause a sore throat, as well as pains in the legs, arms or elsewhere; occasionally St. Vitus' dance. Sometimes it is accompanied by a steady, low fever. A child with rheumatic infection may look anemic, may be listless and may have no desire to romp and play. He may have little appetite and may lose weight.

While sunshine, rest, fresh air and nourishing food often help Nature to effect a cure if the disease has not progressed too far, do not delay having a needed medical examination if your child has "growing pains." He may be in great danger—the danger of permanent heart trouble.

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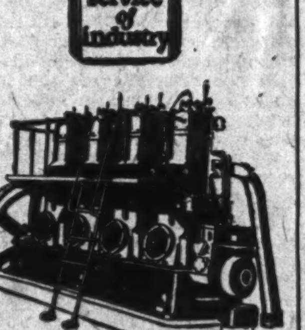

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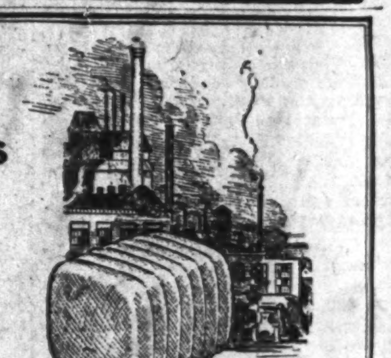

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# More Power At Lower Cost Is Aim of Truck Manufacturers During 1934

## Improved Performance Lower Operating Costs Feature 1934 Trucks

### Commercial Delivery Models Have All Refinements of Passenger Cars — Heavier Jobs Feature Improved Braking and Stronger Construction

### DIESEL ACTIVITY EVIDENT IN CANADA

### Important Attribute of Truck and Commercial Car Manufacturers is Their Ability to Manufacture Bodies to Suit Individual Needs — Streamlining Important for Its Fuel-saving Feature

Mechanical and structural improvements introduced during the past three or four years make the passenger automobile of 1934 superior to any of its predecessors in performance, reliability and appearance. Progress in the commercial car and truck field has paralleled this improvement in passenger cars in all details. In the truck and commercial car field, however, the bearing that improved performance and reliability has on operating costs is probably the most important factor from the point of view of the operator. Commercial delivery cars are in a slightly different category as while cost of operation is important, appearance is equally so in many cases.

Roughly speaking, commercial vehicles in Canada can be divided into five sections, viz.: light commercial cars; medium commercial cars and light trucks; heavy trucks; transport units and buses. In every section, radical improvements have taken place.

#### Smoothness in Operation

Transport of goods easily spoiled by rough usage has been made easy by the improved springing, weight distribution and chassis design of the 1934 commercial delivery cars. In many cases—and this is particularly true of the one-half to one-ton units—the engine, chassis and springing are identical with the passenger car of the same design. For slightly heavier weights truck design springs have been used and chassis strengthened.

Passenger car innovations in the way of radiator design, windshield sweep and general stream-lining have been carried into commercial car construction. Feature model of one well-known manufacturer is a sedan delivery job which has an over-all appearance exactly similar to a passenger sedan; the space used for rear seats is merely converted into a space for carrying goods, with doors at the rear. Individual front wheel suspension is standard in this model.

Altogether 1934 models of light commercial cars — whether of the truck or van type — have an up-to-date appearance that is a valuable asset for the store or business whose name they bear.

#### Modernize Light Trucks

In the medium commercial car and light truck field, similar progress has been made. Again, in many cases, chassis design is similar to that of the passenger car although the wheelbase is usually longer. Specially designed truck engines are installed in many of the makes in this class with adaptations from passenger car engines in other cases.

Comparison of 1934 models in this section with those of five years ago reveals an entire absence of solid tires, drivers' cabs with straight-backed wooden seats, while the safe speed maximum is anywhere from 25 to 50 per cent higher in the 1934 models. Improved braking systems, in many cases with automatic booster, are general.

#### Heavy Truck Output Small

Canada's production of heavy trucks and buses is comparatively small when compared with either the light types or with heavy truck and bus production in United States or Europe but manufacturers in the Dominion have benefited by improvements evolved in these areas.

Lack of demand makes it impossible for most Canadian manufacturers to produce heavy trucks on other than a special order basis and body construction, therefore, varies with individual likes and dislikes. However, the trend in heavy trucks and buses is definitely toward streamlining as a means of reducing fuel consumption and increasing speed. Some excellent examples of this streamlining were in use in the United States before the advent of the super-streamlined passenger car and its importance in road transport is considered greater than in the passenger car field.

#### Fuel Saving Important

Surveys have revealed that the fuel saving feature of a passenger car cannot be ranked as an important selling point but fuel-saving definitely ranks among the leading attributes of commercial cars.

Canada has not yet become "Diesel-minded" in the truck field although this is the most recent trend in Europe and is being closely studied in the United States. Diesel engined jobs which have been offered in Canada have been imported. Announcement was recently made of the incorporation of a company with head office in Toronto to assemble the "Dailmer-Mersedes-Benz" Diesel engines produced in Germany. Chief difficulty at the present time appears to be in obtaining the necessary fuel.

One comparatively recent development in the truck field is the semi-trailer, its chief attribute being that it allows of greater carrying capacity without the problems associated with trailers while the weight is distributed over six wheels instead of four in the truck. This type of vehicle has become popular with food produce distributors and other concerns of the same type while it is also favored by furniture movers.

## Says Economic Truck Radius Extends to About 1,000 Miles

### American Commentator Thinks Popular Idea That Profitable Limit About 200 Miles is Wrong — Canadian Executive Disagrees

Two entirely different schools of thought regarding the commercial possibilities of motor transport as far as radius of operation is concerned, are in evidence among leaders in the industry on the North American Continent.

It has been the popular conception in the motor transport field that economical operation in competition with rail rates was not possible outside of a radius of 125 to 175 miles. In fact, L. G. Fabian, managing director of the Automotive Transport Association of Ontario, speaking at the recent annual dinner of the London branch, stated that long hauls are uneconomical and beyond the powers of highway transport.

#### Says Radius 125 Miles

"Beyond a radius of 125 miles, truckers must receive rail-rates plus cartage at one end," said Mr. Fabian, "and beyond a radius of 250 miles motor transport cannot generally speaking provide a daily service, although one or two operators in Ontario are successfully operating up to 320 miles."

On the other hand, however, an article appears in the February issue of the Commercial Car Journal, Philadelphia, under the heading "Bang! Goes a Trucking Myth —The 300 Mile Economic Limit." In this article, many instances of the successful operation of 700 to 1,100 miles are brought to light.

#### Long Haul Successful

One such long distance service—and this includes a pick-up service —is reported as follows:

"Here is an operator running between Charlotte, N.C., and New York City. With pick-up mileage, the one-way run is approximately 700 miles. His rates are the same as rail or rail-water. He delivers in from 37 to 45 hours as against a normal all-rail delivery time of five to six days with a minimum delivery time of rail-water never less than 90 hours.

"He charges rail or rail-water rates and shippers are giving him an increased amount of business. Since July, 1931, when the operation was started with 12 tractor-trailer type of pick-up vehicles the operation has grown to more than 100 units in the Charlotte-New York service alone.

"It has definitely been a profitable operation. Why? The answer seems to be that for long distance hauling the cost of warehousing, administrative offices, cost of pick-up, etc., represents a smaller portion of operating cost than for short hauls. In other words, the truck is up against the same terminal overhead problem as the railroads. Long haul operations can be carried on at a lower ton mileage basis just as in the case of railroads."

#### Increasing Efficiency

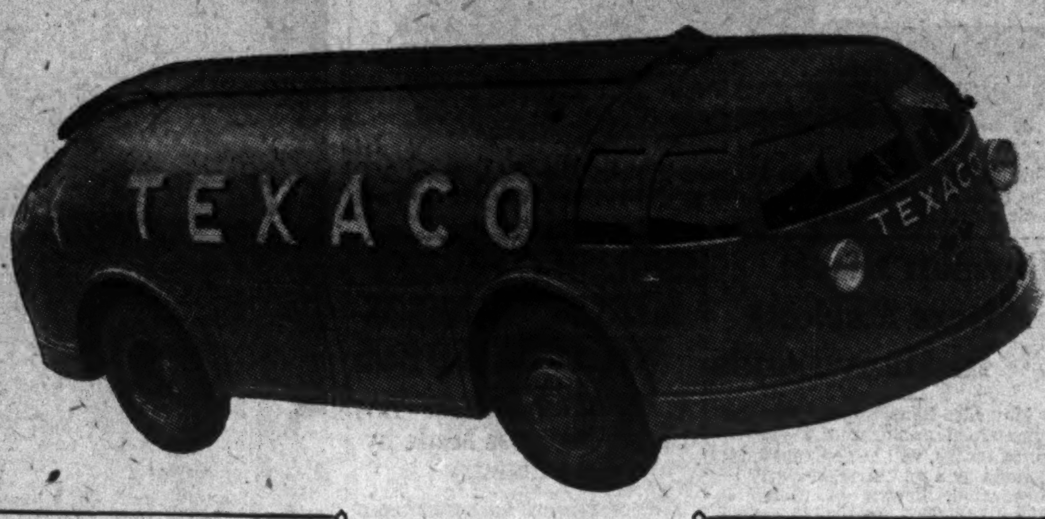
Undoubtedly, in many parts of the United States, the denser population and increase in business offered make longer runs possible at a profit than would be the case in Canada. However, increasing efficiency and reduced cost on the part of trucks will undoubtedly see extensions of their radius of operations.

It would certainly appear to be the height of folly to place a definite radius on motor truck operations, particularly when everyone in the industry can remember when a journey of only 25 miles was a costly proceeding and was approached with trepidation and a full kit of tools and spares ready for instant use.

## Ford V-8 Panel Delivery

One of the leading sellers in the commercial car field is the panel delivery job by Ford pictured above.

## Streamline Trend In United States



Oil tanker produced by Diamond T for the Texaco Oil Co. Canada has not yet arrived at this stage but the trend seems to be along these lines.

## G.M.C. Trailer Lines Feature Improved Brakes

General Motors 1934 trailer lines feature better brakes with B.-K. power booster, tubular rear axles and one-piece drop frames. The axle rating for the new semi-trailer is 10,000 lbs. for the model TT-218, which gives a payload rating of five to seven tons and on the TT-252 the axle rating is computed at 15,000 lbs. giving a payload rating of approximately 10 tons.

As an option, the automatic type of semi-trailer will be made available, featuring a screw type full automatic construction.

#### Sell Skates in Europe

Canadian-made skates are gaining quite a popularity in Europe. During the past year some 24,418 pairs were exported to fourteen countries on that continent.

## Southern Canada Power Net Income Up in February

From Our Own Correspondent

MONTREAL.—For the first time in fourteen months, Southern Canada Power Co. reports a gain in net earnings for the past month. Gross earnings in February totalled $186,234 as against $173,032 for February of last year, an increase of $13,202. Operating expenses were somewhat higher, but net revenue of $119,223 was $6,861 greater than for February, 1933.

Cumulative returns for the first five months of the current fiscal year ended last month showed gross income of $932,888, expenses $334,113 and net operating profits of $598,775. This compares with a gross income of $930,212 and a net revenue of $613,177 for the corresponding period of the previous year.

## Greyhound Coach Lines Install Twin Ignition

Practically all coaches operated by Greyhound management throughout the United States are equipped with two electrical systems; i.e., two batteries, two distributors, two coils, two sets of spark plug wires, two sets of spark plugs.

W. A. Vall, Manager of Maintenance, stated that it has been found that the dual ignition system is not only the practical answer to ignition troubles but also is extremely desirable on inter-city operation.

## NO DULL SEASON FOR TRUCK OWNER WITH VARIED LINE

### Peak Deliveries of Products Spread Throughout the Year

Building up dull season business is one of the problems which beset independent truck operators whose operations are largely confined to transport work for one or two lines of business. There are enough lines having peak activity in different months, however, to provide assurance of sufficient work for the wideawake operator. A survey of the peak months in ten important lines recently made by Bus and Truck Transport, Toronto, provides a valuable guide to independent operators.

March, July and September are shown to be the slackest months, according to the survey, in each month only one of the ten items having a delivery peak. November and December, on the other hand, are the busiest, four having peaks in the former and seven in the latter.

#### Seasonal Lines

Building materials, hardware and electric refrigerators are shown to be the staple summer items while department store parcels, radios, pianos, home appliances and coal feature the winter months.

Summary of the findings of the survey is as follows:

**January**—Radios, coal.

**February**—Retail furniture, department store furniture.

**March**—General railroad freight movement.

**April** — Home appliances, retail hardware, building materials.

**May**—Electric refrigerators, retail hardware and building materials.

**June**—Electric refrigerators, retail hardware and building materials.

**July**—Electric refrigerators.

**August**—Retail furniture, department store furniture and general railroad freight movement.

**September**—Home appliances.

**October**—Department store parcels, general railroad freight movement, pianos.

**November**—Department store parcels, radios, pianos and coal.

**December**—Department store parcels and furniture, retail furniture, radios, pianos, home appliances and coal.

## Ontario Police Active Checking Truck Rules

A stricter check on motor trucks operating on the provincial highways is being kept by police in Ontario, according to Bus and Truck Transport, Toronto. At varying points throughout the province, inspectors and traffic officers have concentrated and have been stopping passing trucks to check up on matters of P.C.V. licenses and general regulations.

Such points as mirrors which must, the law states, be in such a position that the truck driver can see the road behind and must be kept clean, are being checked by the officers. More than one driver has been found negligent in this respect.

## CHEVROLET OFFERS COMPLETE RANGE OF LIGHT TRUCKS

### Three Lines Displayed for 1934 Featuring Many Body Styles

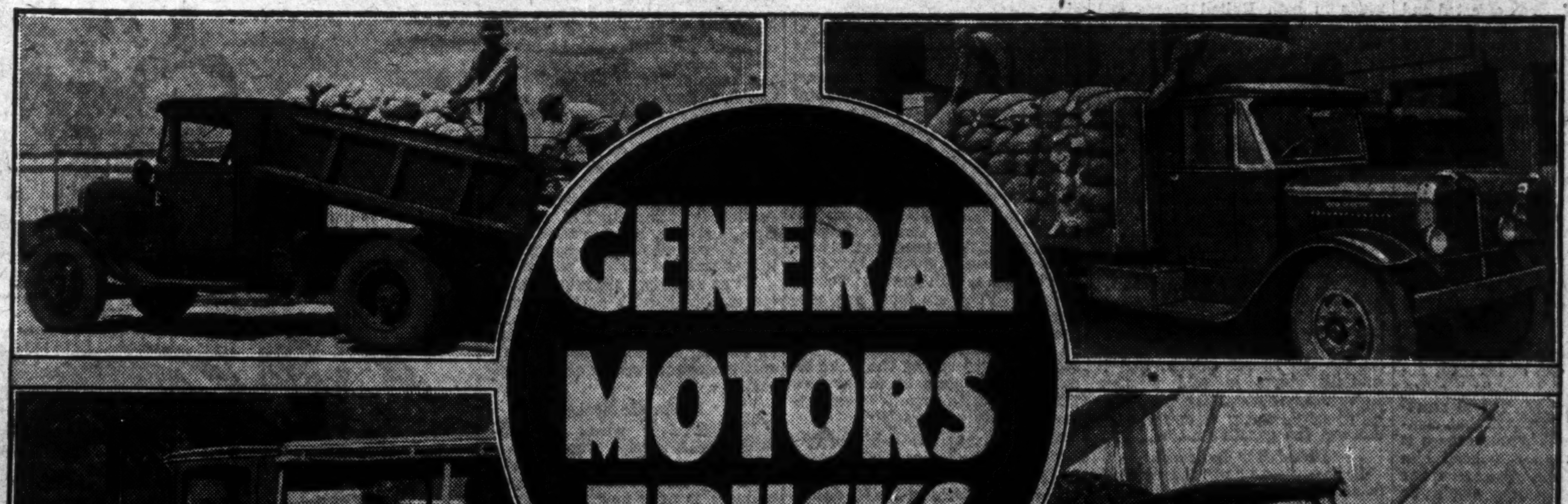
To meet the anticipated heavy demand for trucks in 1934, Chevrolet is displaying three distinct lines of commercial cars with a wide range of body types, designed to meet ninety per cent of all requirements in the field. The 1934 lines are all equipped with a new special trunk engine, delivering increased power and greater torque, and there are numerous mechanical improvements in frames, brakes and transmission.

The first line consists of commercial car bodies of half-ton capacity, on a wheelbase of 112 inches. The other lines are one-and-one-half ton trucks and two-ton trucks, respectively, on both 131-inch and 157-inch wheelbases, and the five-ton semi-trailer.

#### Feature Canopy Express

The six models in the half-ton line are the commercial chassis, de luxe panel, standard panel, pickup delivery, sedan delivery, and canopy express. This last is an addition to the line and is fitted with roll curtains or screens. The canopy express is also available in the one-and-one-half ton line. The sedan delivery in the half-ton line and the panel body in the one-and-one-half ton line are both decidedly attractive, with beavertail effect and sloping radiator as in the passenger cars.

DEPENDABILITY Proved IN EVERY HAULING FIELD



MANY of Canada's largest fleet owners long ago found out that GMC Trucks—truck-built for truck work—reduce hauling costs and add to *business profits.* Outstanding among all the reasons why is—DEPENDABILITY.

The dependability that comes from big, husky valve-in-head engines engineered specifically for GMC Trucks. From the same rugged *truck* quality in every other detail. From all-round *economy* insured by efficient design, freedom from trouble and full load bearing ability under trying conditions. And from the certainty of skilful, low-cost, factory-approved service everywhere in Canada at any time.

Consider your truck investment from every angle—of first cost, operating economy, adaptability, hauling capacity, dependability and ease of servicing—and you'll unhesitatingly pick GMC for *your* job. Because, first of all, you get a truck that's built in Canada for long-time, economical Canadian service. Then, you can select from the largest range of Trucks and Trailers the whole Canadian market offers. Initial cost is only moderate—and your investment is protected by the famous General Motors Truck service chain, a complete organization of parts depots, factory branches and dealers extending from Atlantic to Pacific. *It pays to see General Motors Trucks first!*

GENERAL MOTORS GMC TRUCK

GM GENERAL MOTORS PRODUCTS

A GENERAL MOTORS VALUE PRODUCED IN CANADA

GMC-14S

A COMPLETE RANGE—½ TO 15 TONS

# Diesel Seen As Modern Trend In Field of Power Production

## Applications for Trucks Spreading in U. S., Accomplished Fact in Europe—Railroads, Ships Go Diesel

By MAJOR J. LEE JACKSON, M.C., A.M.S.A.E.

Interest has been stimulated in crude oil Diesel-type engines by the development and operation of desert caravan units running between Damascus and Bagdad, experimental aeroplane operations, hundreds of municipal power plants, furnishing light or power for countless communities, huge ocean liners and small water craft of many kinds and the abnormal development of streamlined rail cars which are even now beginning to cover regularly large distances on the North American continent. Power plants for hotels, office buildings, and industrial plants are following suit. The Soviet Republic recently offered a prize of $15,000 for the best design of Diesel engine for powering automobiles, trucks, buses and tractors.

What is the commercial future of this Diesel Engine, about which everybody is talking?

Diesel power has already proved its efficiency in so many fields of industry that only those commercially blind, will dismiss lightly its possibilities.

### U. S. Plants Go "Diesel"

In the road transportation field Diesel application has developed more rapidly than anything else in the last two years. Having just returned from a visit to one of the largest commercial vehicle manufacturers in the United States, I can state authoritatively that Dieselizing of at any rate a limited amount of their model range is under contemplation by most of the leaders in this industry. The majority of them are just on the verge of going "Diesel."

Fleet operators both in the United States and Europe are keenly conscious of the economies and other operating advantages to be obtained from this new type of power and you find maximum capacity load hauling vehicles powered with Diesel engines creeping more and more into the economically efficient hauling picture on this continent. This is even more noticeable in Europe as the following statistics will show. One of the largest manufacturers of oil engine vehicles there has produced up to date approximately 3,000 oil-engined road vehicles. The aggregate road mileage at the last compilation made recently, was 120,000,000 miles. More interesting still is the fact that these Diesel-engined vehicles on an average cover the almost unbelievable mileage of approximately 10,200,000 miles per month, or 2,400,000 miles per week, and this from the products of one firm only.

### Success Attained

These figures reflect the success of the Diesel type engine in competition with the gasoline engine, which must be as great if not greater than any other departure in the field of mechanical design and production. I received a letter recently from one of the leading producers of motor trucks and buses in Great Britain stating that their production was now definitely seventy per cent Diesel and twenty-five per cent gasoline powered units.

The first Diesel type engine built and used commercially was put into service in the year 1898. A tremendous amount of experimental and research work on the subject under review has been effected and such names as Ackroyd-Stuart and Diesel come readily to mind, and the benefits of their efforts are now available for the present generation. Heavy oil engines have unquestionably an assured future in connection with nearly all lines of industry and particularly road transport, constituting an industrial development rivalling the introduction of such machines as the steam engine, steam turbine and electrical generator.

### How It Works

What is the Diesel?

A Diesel engine is an internal combustion engine in which the fuel is ignited by the heat of compression and is so named because the early development of this type of engine had as one of its most active and successful proponents, Dr. Rudolph Diesel. Dr. Diesel starting with the simple fact that compressing any body of air causes it to become heated, convinced him that if compression was carried far enough, sufficient heat would be generated to burn powdered or liquid fuel. For instance, if air is compressed, to between 500 and 550 pounds, it generates 1000 deg. F. The Diesel engine because of its high compression, turns more heat into power and wastes less in exhaust gases than the conventional type of internal combustion engine. Complete combustion is assured by the presence of more air in the cylinder than there is fuel to burn.

The Diesel engine is the most economical means of converting heat energy into power. This economy is inherent in the Diesel because of its fundamental principle of operation. It is expressed in practice by its ability to burn a lesser quantity of low priced fuel than the conventional internal combustion engine.

### Goal Worth Striving For

Low priced fuel and less of it, that was a goal worth striving for. Why has it not been reached before? Because the adoption of the Diesel engine as applied to road and rail transportation presented numerous difficulties, on account of the limitations of space and weight, and the peculiar requirements of manufacture, service and use, which have become apparent in the very rapid development of this type of engine over the last five years. During these years, there have been, of course, constant improvements in the Diesel type engine and many increases in the uses to which it can be applied and in the range of sizes offered.

The Diesel engine has great advantages apart from its high thermal and mechanical efficiency over its rival, the gasoline engine. In addition to these two points, it offers to the road used an effective reduction in his maintenance and running costs. The fuel used is about one-third the price of gasoline and this, coupled with the greater mileage per gallon of fuel obtainable from the oil engine accounts to a large degree for its present ascendency in the commercial vehicle world.

Designers perceiving the great value of the oil engine, are experimenting with small higher-speed Diesels, and it should not be very long before the private car Diesel is seen on our highways. I have before me, a clipping from an American paper of an article by Arthur Brisbane, in which he states, "Mr. Ford is in his machine shop working at a small, electric driven lathe, with innumerable attachments, on some new idea for a Diesel engine. 'The Diesel engine has got to come,' says Mr. Ford. 'I do not know or care in just what shape, but it is our business to find out.' Mr. Ford has stated that he is glad that the government is interesting itself in Diesel engines."

The writer recently had the interesting though cold and uncomfortable experience of personally driving a Diesel-equipped truck in sub-zero weather over approximately 700 miles. The mileages actually obtained during this trip were quite amazing. The run from Toronto to Windsor was accomplished for a total full cost of $1.15 which represents slightly below half a cent per mile. This is indeed economic trucking for the transportation man and is worthy of his close scrutiny and consideration.

### Uses Less Fuel

The ability of the Diesel engine to use less fuel than gasoline engines is really more important than its ability to use a cheaper type of fuel. The delivery of torque or in other words, power, evenly over most of the speed range of the engine is most important, and the discerning truck and bus operator is quick to appreciate what this can do for him.

English Diesel-powered Bus

Features of this Diesel-powered bus manufactured by A. E. C. are the observation section shown at the rear and the position of the driver beside the engine hood to allow more passenger space.

Availability of fuel is of importance in motor vehicle work but the oil companies will make this readily available the moment there is any demand. Operators who are interested at present or will be for some short while, will be bulk buyers and can readily obtain supply at any of the chief centres of population throughout the country.

Diesel engine passenger cars have been built and are operating with considerable success in Europe and one feels that it will be not long before one sees them on the roads in both United States and Canada. Engineers all agree that the Diesel is the most efficient type of engine theoretically. As most people know, the commercial progress of Diesel engines has come about on account of their ability to burn cheaper fuels than gasoline. In its early forms, the Diesel engine was heavy and rough, now they are light, compact, and operate smoothly and at engine speeds which are in every way comparable to the modern gasoline engine.

Lifting the hood of a Diesel powered truck or car, the average observer would not know that he was looking at a Diesel motor. Starting equipment and procedure is absolutely conventional. There is no smell or undue smoke thrown off by the Diesel engine, and it actually starts in cold weather down to any normal possible range below zero, easier than its elder brother, the gasoline motor.

### Diesel For Railroads

It is extraordinary the development and progress which is taking place in the railroad field. Most of the important railroad companies in the United States are experimenting with Diesel or Diesel-electric streamlined trains. Streamline rail cars are in use in the Reading and Pennsylvania Railways using Diesel engines, while the spectacular rail plane developed by the Pullman Company has provision for Diesel motors in its layout, instead of gasoline engines.

The possibilities of the light weight Diesel motor train both for interurban and local stopping services, as well as for high speed interurban services appear to be very great, and it seems possible that this type of train may in time supersede locomotive-hauled trains entirely, in such services. Indeed it has already commenced to do so in Europe and we can see the same picture looming up on the horizon with the many trains powered with Diesel engines which are in the course of construction or trial in North America.

Diesel traction no longer needs any defence in the railroad field. It is pushing forward and the time is not far distant when no progressive railway executive will be able to afford to ignore its existence, even though his railway may be happily situated near abundant water power or have coal mines on its property. Diesel traction offers many other advantages besides reduced fuel costs and the doubling or even trebling of the mileage obtained per working unit. The railroad man will appreciate the fact that a Diesel locomotive requires no rest days and is easily supplied with fuel and lubricant which is about all that it needs in the way of attention between periodical over-hauls at far distant dates.

Our two great Canadian railroad systems have been following this modern power development most closely and a tremendous amount of data and information has been collected by such men as Mr. Fairbairn, Chief Engineer Canadian Pacific Railway, and Mr. Sylvester, Special Engineer Canadian National Railway, who read a most interesting paper recently before the Canadian Railway Club dealing with Diesel power application in connection with railroads.

Very few people realize that close to half of the tonnage launched in the world in 1929 were motor ships. This is a most salient fact and it looks as if marine installations are going to play as great part in the future Diesel volume as they have done in the past. Diesels find favor on many smaller craft, tankers, tugs, canal barges, ferry boats, nearly all find Diesel power most economical. In pleasure craft and cruisers in particular, there is no doubt that Diesel power has been gaining popularity during the last five or six years, and will certainly continue to make strides in this field where non-inflammability of fuel is an element of the very greatest importance.

Public utility power sales will have to look to their laurels when office buildings, hotels, and even apartment houses begin to find it cheaper to install Diesel-driven power plants than to buy from central stations. How harmful this competition may eventually become, it is difficult to say; however public utilities all over the world have begun to worry. Diesels are helping scores of industries to operate individual plants instead of buying from central stations.

From figures which are available, there was approximately 4,500,000 Diesel horsepower sold in the United States alone up until the end of 1932. Although more dramatic on account of the tremendous publicity it has received, the total Diesel horsepower applied in American railroads is small in comparison to the totals developed in stationary horsepower.

Diesel progress has been and should be steady. In spite of that, many problems still confront the Diesel designer. One of these is the fact that the Diesel engine, contrary to average opinion, is not by any means a billy goat in fuel digestion. Fuel problems are confined largely to the smaller, higher speed Diesel units, but there has to be a tremendous amount of research carried out by the large oil companies to give us a standard Diesel fuel with some form of rating like Octane in gasoline.

### Developments Worth Studying

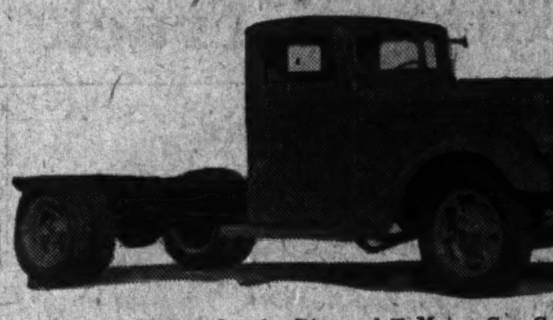
So great and rapid are the efforts in research work under way all over the world in Diesel design and the production of Diesel fuel that we are apt to see extraordinary developments in this field in the next three to five years. Knowledge of progress in this field would repay every progressive and far-seeing business man. Further, one of the great authorities in the world on Diesel application in all its many forms, stated recently, "there should be a great appeal to the young and enterprising engineer in this new field."

This new system of power application will, for a long time to come, offer excellent opportunities to those who really wish to advance in their profession. Study should not be limited but should embrace all the applications of Diesel power, mechanical, electrical, railroad, and automotive. It has been due to lack of co-ordinated knowledge that Diesel application has been delayed in its progress towards success in the transportation world. To make three different schools of experts think alike is a hard task, hence the need for coordination.

Mounted on White Chassis

First of a fleet of buses, mounted on White chassis, recently delivered to a Hamilton, Ont., public bus company.

Diamond T 1½-ton Chassis



This de luxe chassis by the Diamond T Motor Car Co. is Model 211. The modern appearance of radiator grille and windshields are the most noticeable external features.

# German Diesel Enters Markets In Many Lands

Mercedes-Benz, probably the first commercial producer of Diesel-engined trucks, will be represented in Canada by a new firm, recently incorporated, known as Dominion Diesel Ltd. This concern, located in Toronto, will import most of the engine parts and act as an assembly agent for the present. It is hoped later to extend operations so that eventually the entire engine will be manufactured in the Dominion.

As far back as 1920, the Mercedes-Benz concern had one Diesel-engined truck on the road. At the present time, it is understood, production of this German factory runs to 100 trucks a week of which only some three per cent are gasoline jobs. About a fifth part of their production goes for export and they have recently put Diesel trucks either on order or for demonstration in every important export market in the world.

English manufacturers of Diesel trucks have felt that the progress was not complete enough to attempt to enter the export market with the result that the German concern has built up a very good connection in the East Indies and South America.

# NEW LIGHT TRUCK FEATURES '34 LINE DIAMOND T CO.

## Successful Model of Last Year Continued With Refinements

For 1934 the Diamond T Motor Car Company presents the 1½ ton model 211 which proved successful in 1933. This truck continues the use of the Diamond T Hercules engine which has been a feature of the Diamond T line for more than a year. With a piston displacement of 228 cubic inches and a torque of 148 pounds feet, this engine is substantially larger than has previously been available in the lowest price group.

Designed and manufactured exclusively for truck service, this power plant has a heavy crankshaft carried in seven main bearings with a total main bearing area of 85 square inches. Upwards of 80 horsepower has been developed on block test, but for truck service the engine is conservatively rated at 63 horsepower at 2,800 r.p.m.

### Gear Driven Pump

A water pump of unusual capacity is gear driven and so designed as to be removable as a complete unit without affecting any other part of the engine. Light weight pistons carry four rings each and piston pins are locked in the rod. A further feature of these new models is the provision for a choice of axles, depending on the nature of the service. With single tires, the standard chassis employs a massive semi-floating axle with one piece cast housing of electric-furnace steel. This axle is of heavy-duty design, incorporating the double wheel bearings and straddle mounted pinion which have demonstrated their superiority in truck service. It is not supplied for dual tires, however, because the nature of the semi-floating design makes it less suitable for this purpose.

When dual tires are required, the truck is built with a full-floating rear axle of similar size and capacity, but which offers the advantage of placing the wheel bearings directly above the center of road contact.

### Hydraulic Brakes

Use of four wheel hydraulic brakes with special drums cast of alloy iron and a heavy duty molded lining is continued. The master cylinder is of a new type incorporating the automatic supply tank in a single unit, with a convenient opening under the hood for replenishment if required.

Standard equipment of both models includes steel cowl, front fenders and running boards, helper springs, electric head and tail lights, speedometer, generator, battery, tire carrier, spare rim, starter, horn, jack and tools. The deluxe model has also chrome plated drop center spring bar bumper, chrome plated radiator guard, full-coverage front fenders with valances, giant chrome plated hub caps, chrome plated double beam head lamps with foot control, deep flanged running boards with ribbed rubber step-plates, and chrome plated ornamental radiator cap and hood fasteners.

### New Cabs

The new Vee-type deluxe cab has been designed to harmonize with the radiator appearance and provides a double windshield with crank control ventilation for each. Seats are extra deep and comfortable and there are many interior refinements for convenience and comfort, including arm rests, door pockets, adjustable sun visor and cigar lighter. This cab presents the latest development of modern stream line design with rounded corners and smooth surfaces to reduce wind resistance and avoid eddy currents.

These models are furnished in a standard wheelbase of 135½ ins. to accommodate bodies to nine feet in length and a special long wheelbase of 158 ins. is available for bodies to eleven feet in length when required.

Diamond T also announces for 1934 a series of companion models of generally similar design, but heavier construction as required for greater capacity.

# ENGLISH COMPANY MEETS CAN. NEEDS WITH HEATED BUS

## A. E. C. Passenger Bus Shows Progress Made by Old Country

The statement has often been made that British manufacturers of motor trucks have shown a greater willingness to conform with designs offered in the Canadian market and to introduce features necessary to combat the Canadian climate than the British passenger car manufacturers. The 120 h.p. gasoline engined "Ranger" pullman express coach manufactured by A.E.C. and shown at motor shows in Canada this year, is an excellent example of this.

This vehicle, having an English-built body, has been specially constructed to withstand operating conditions found in this country. The seating capacity is 29, which can be increased by the use of let-down seats to 35.

Some of the features from a Canadian point of view may be enumerated. Seats are all arranged to face forward and place in pairs apart from the full width seat at the rear which accommodates five persons. Head rests are of Canadian design and hat racks are fixed to the back of each seat.

Air circulation is provided by three large "Air-vac" ventilators over the central gangway and louvres above the side windows. Heaters are fitted at the front and rear, so cowled as to deflect the hot air to the floor. The floor itself is made of yellow pine boards covered with a rubberized felt insulator, which in turn has been covered with cemented "Battleship" linoleum.

Baggage accommodation is provided in the interior by full length racks based with chromium-plated metal tubing. There is also a large outside container built down into the roof at the rear and reached by a ladder.

Other items include a windshield defrosting fan, a change tray, reversible registration plates on the front bumper, three marker lights with green lenses at the front and two width markers with red and green lenses at the rear. Indicating signals are mounted on the dash, one green operated by a relay in the stoplight circuit, and one red, operated by the switch on the emergency door.

The prospects for maple products in Quebec Province this season are said to be of the best, following three rather slim years, as regards amount of production. During the somewhat lean years the value of sugar and syrup to the producers has been about $5,000,000 annually, but the season now beginning is expected to yield much better results.

MORE TONS ARE HAULED ON GOODYEAR TIRES THAN ON ANY OTHER KIND

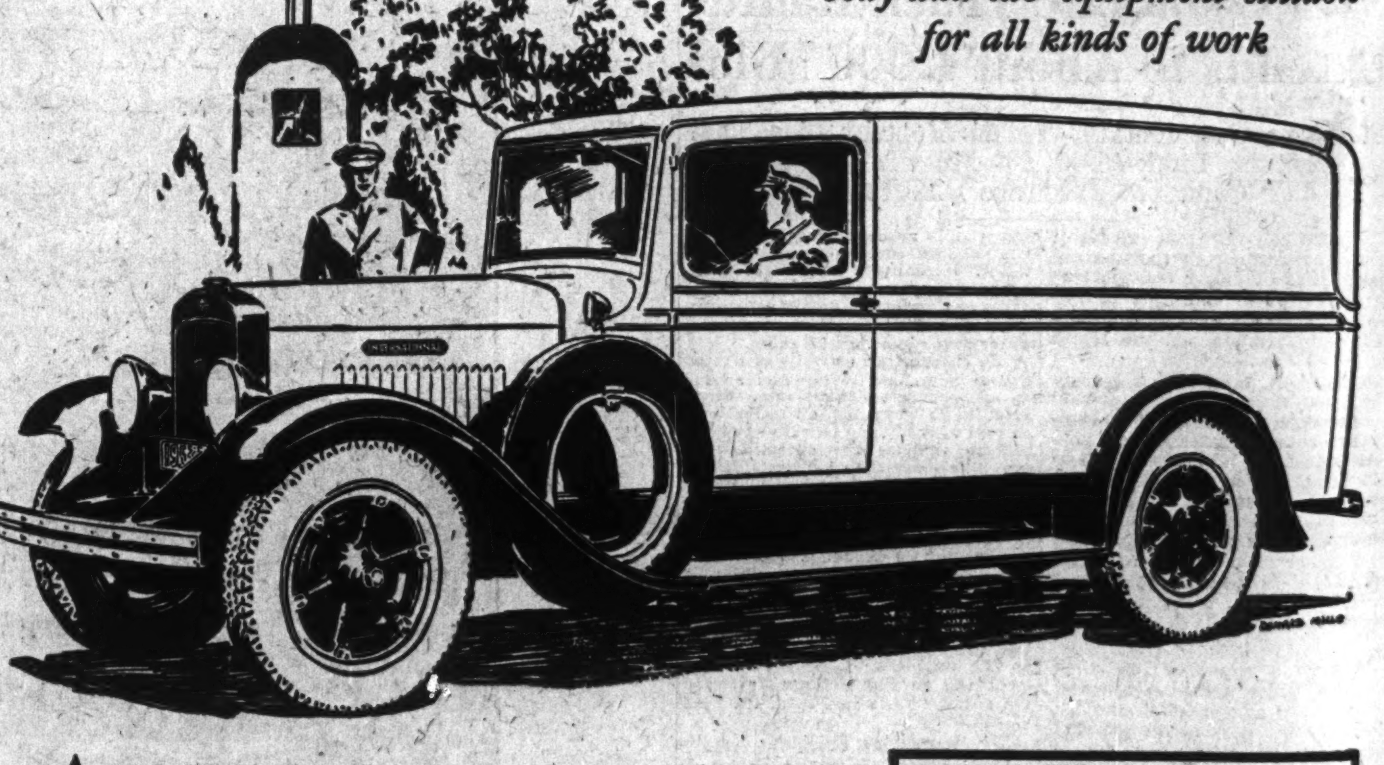
Goodyear's tough and rugged construction . . . the excess strength and elasticity of Goodyear Supertwist cords . . . and the greater pulling power of the All-Weather tread, are all conducive to Goodyear's well-earned reputation for LOWER COST PER MILE. That is why Goodyear Truck Balloons are first choice of truck-owners everywhere.

GOODYEAR

TIRES BELTING HOSE PACKING MATS

You Get True International Quality in the New 1½-Ton Model B-3

*Available with body and cab equipment suitable for all kinds of work*

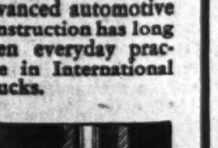


Advanced International engineering in every inch of design, true International quality in every ounce of construction—that's what you get in this 1½-ton, 6-cylinder chassis.

Here are some of the exceptional features: Removable cylinders, hardened exhaust-valve seat inserts, down-draft carburetion, fuel pump, full-pressure lubrication, thermostatically controlled cooling, full-floating axle, and semi-elliptic auxiliary rear springs. Two wheelbases, 136 and 160 inches.

Thrifty truck buyers—take advantage of the extra value offered in the efficient, modern Model B-3. Make it a point to see this International . . . we have it on display at our showrooms. Then test its power, speed, and economy on your own work.

*Removable Cylinders* permit replacement of cylinders without the expense of reboring or the replacement of the entire cylinder block. This great feature of advanced automotive construction has long been everyday practice in International Trucks.



*Hardened Exhaust-Valve Seat Inserts* are an International engine feature. They retard valve seat burning, engine efficiency is retained, and the valves seldom need grinding. Details like these spell *low-cost hauling over a long period of years.*

A telephone call will arrange for a demonstration without obligation.

INTERNATIONAL HARVESTER COMPANY
of Canada, Ltd.

Wherever you drive your International Truck, you are close to expert service.

INTERNATIONAL TRUCKS

# EXPORT SALE LIGHT TRUCKS SHOWS GAIN

## Exports in 1933 Greater Than Sale in Canada

## EMPIRE MARKET

### January, 1934, Production for Export at High Point for Industry — Australia Important Market

One of the outstanding trends in the Canadian automotive industry during the past twelve months has been the extension of export markets. This has been particularly true in the commercial car field, production for export in 1933 actually being greater than production for domestic sale.

Several factors have combined to create this increase in exports. Undoubtedly the general improvement in world conditions has been important while three years of extremely small sales in Canada made manufacturers eager to enter the export field.

Re-opening of the Australian market, following stabilization of the currency of that country, was another important factor as the Commonwealth proved a market for about 1,000 units in 1933. British possession in Africa, British India and the West Indies were the other leading markets.

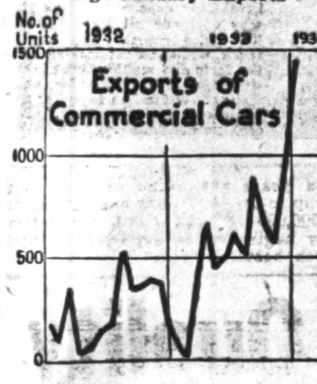
### Winter Markets

As these markets, with the exception of the West Indies, are in the southern hemisphere, their buying season is during the Canadian winter. This helps materially to stabilize operations in Canadian plants.

The bulk of the commercial vehicles exported from Canada are built to carry 1½ tons or less and include such well-known makes as Ford, Chevrolet, Dodge, Studebaker and G.M.C.

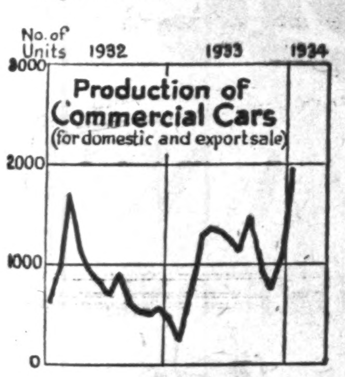
Of total production of 12,569 commercial cars in Canada in 1933, exports accounted for 6,125 while only 5,944 went into domestic consumption. In the previous year, exports accounted for 3,033 cars out of a total of 10,085, leaving 7,052 for sale in Canada. Thus, while total production was greater in 1933 than in the previous year, the increase was due to expansion of the export market.

High January Exports



In the first month of the current year, the production of commercial vehicles for export reached a new high record in face of the fact that exports in that month are generally at their lowest point for the year. Production for domestic sale was about 60 per cent greater than in January, 1933, but the total was small in comparison with 1929 and 1928.

Exports Stabilize Production



The effect of the improvement in exports during 1933 on total production of the industry is shown in the above chart, the usually considerable decline in the latter six months of the year being reduced to small proportions.

## SAINT JOHN PORT TRAFFIC INCREASES

### Volume of Imports and Exports Much Higher Last Month

From Our Own Correspondent

MONTREAL. — Import traffic through the port of Saint John in February showed an increase of 48½ per cent over the imports in the corresponding month last year, according to a report issued by the Saint John Harbor Commission. At the same time general cargo exports showed a gain of 38 per cent and total exports, including grain, a gain of 28 per cent.

Imports advanced from 53,768 tons in February, 1933, to 80,029 tons in February this year. This unexpectedly large increase was not due to any particular class of cargo, but to a general improvement.

### Exports Also Greater

Total exports last month amounted to 151,978 tons, compared with 118,762 tons in February, 1933. General cargo exports were 99,187 tons, as against 71,908 tons in 1933.

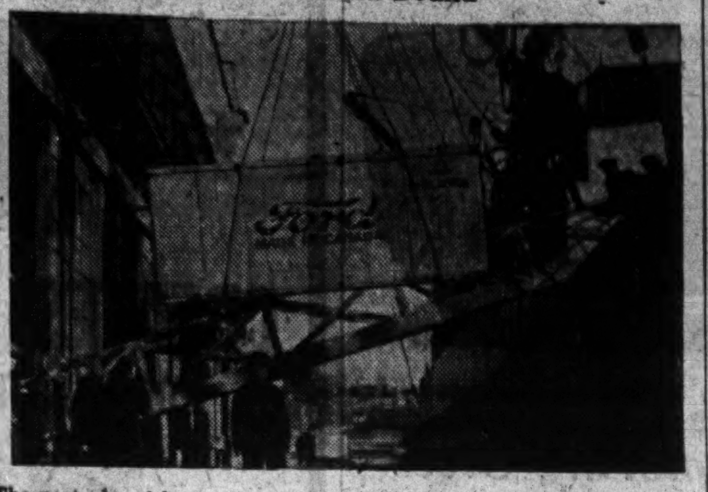
Total import and export tonnage amounted to 232,007 tons compared with 172,530 tons in February, 1933, a gain of 34½ per cent.

About the start of the season early in December until the end of February general cargo exports handled through the port of Saint John totalled 246,124 tons, compared with 179,920 tons in the corresponding period of 1932-33, a gain of nearly 37 per cent. Imports during the same period totalled 214,150 tons as against 197,475 tons last year.

### Ontario Produces More Oil

Petroleum production in the Province of Ontario in January amounted to 12,119 barrels, compared with 9,762 barrels in December and 11,648 barrels in January, 1933. In the twelve months ended December the production amounted to 136,022 barrels, compared with 130,343 barrels in 1932.

South Africa Bound



The part played by exports in the truck manufacturing division of the automobile industry is best indicated by the fact that production for export in 1933 was greater than production for domestic sale.

# FEDERAL ENTERS LOW PRICE FIELD WITH NEW TRUCKS

## Two Light Jobs Added to Large Regular Line

Federal Truck Co. of Canada, now enters the lower price field with 1½ and 2 ton chassis listing at $860 and $1,125 respectively f.o.b. Windsor.

These new Federal trucks have a maximum gross rating of 10,000 lbs. for the 1½ ton when equipped with dual rear tires, and 11,000 lbs. for the 2 ton. Standard chassis weights are: 1½ ton, 3,500 lbs.; 2 ton, 3,800 lbs. Both models are built with wheelbase lengths of 137 ins., 158 ins., 162 ins., and 174 ins. The 2 ton chassis is also available with a longer wheelbase of 187 ins.

In appearance these lower priced trucks are similar to other models in the Federal line, having the new V-type sloping radiator with grill front, and the same style streamline hood and cowl, wide sweeping front, and the same style stream-channel front bumper. Wheels are cast steel with demountable rims.

The 6-cylinder truck power plant is of the L-head type with seven big main bearings. With 3⅜ in. bore by 4¼ in. stroke 62 horsepower is developed at a low engine speed of 2600 r.p.m. Maximum torque is 149 ft. lbs. at 1,000 r.p.m. Piston displacement is 228 cu. in. A larger engine of 263 cu. in. displacement is furnished in the 2 ton model at slight extra cost.

Both models have an exceptionally heavy frame of the fish belly type with a maximum depth of 8½ inches. In line with Federal standard practice these new chassis are equipped standard with full floating rear axles. Brakes are hydraulic type with cast drums. Other outstanding features incorporated in these Federal chassis are: latest roller bearing type universal joints, rubber bushed spring eyes that require no lubrication and auxiliary springs on the 2 ton model.

As in other Federal models a maximum of ease and comfort for the driver has been provided in these new trucks. The cab is roomy and the seat and back cushions are comfortably upholstered over deep coil springs. There is a large ventilator at the top of the cowl. The cab floor is insulated with a heavy rubber mat as a protection against heat or cold. Particular attention has been given to the elimination of noise and vibration by insulating various parts of the chassis with rubber.

The modern style compact instrument panel is indirectly lighted and includes speedometer, ammeter, gasoline gauge, heat indicator and oil pressure gauge. Engine controls are conveniently located on the dash and a cigar lighter is provided as standard equipment. Standard chassis finish is black with red hood, cowl and wheels.

In addition to the new models described above the complete Federal line offers a wide range of chassis for every haulage requirement including 4 and 6 wheel models up to 7½ ton capacity.

# LUMBERMEN PLAN WATER SHIPMENT ONTARIO TO U.K.

## Rail Freight Elimination Would Make Trade Possible

A plan to overcome the handicap of high rail freight rates which have eliminated Ontario lumbermen from the lucrative British market is being worked out by operators around Little Current, Ont. By utilizing an all-water route without transshipment, it is hoped to reduce rates sufficiently to allow competition against Russian and non-Empire lumber. George B. Nicholson, M.P. is the leader of the scheme and lumber interests from Nipissing, Algoma and Chapleau districts are co-operating.

It has been announced that the group has completed arrangements with the owners of a fleet of tramp steamers in England. Lumber would be sent by rail to Little Current on Manitoulin Island, Georgian Bay, and loaded there direct to England. The steamers, it is understood, would carry 1,750,000 feet of lumber.

If the saving in freight rates is sufficient to warrant the experiment, it is said that there is every prospect of the scheme being carried to a successful conclusion. Savings will not only be possible in freight rates but in handling charges and harbor dues.

# REGENT KNITTING STATUS IMPROVES DURING PAST YEAR

## Betterment in Last Half of Year Makes Material Difference

From Our Own Correspondent

MONTREAL. — Though operations in the first six months period were the worst in twenty years, results in the last half of the year were on a substantially improved scale, with the result that Regent Knitting Mills reported an increase of 42.3 per cent in net operating profit for 1933 as compared with the previous year.

Sales last year showed an increase of 7.6 per cent over 1932 for the first time since 1928. Had conditions in the first half of the year been as good as those reported for the last six months, the operating revenues of the company would have been at or near record levels. As it was, however, the company was able to reduce its bank loans by $142,500, set up reserves for bad and doubtful accounts receivable, write off a larger amount for depreciation of plant and equipment, etc. leaving only a net deficit in the income account of $34,300. This compares with deficits of $81,708 in 1932 and $132,605 in 1931.

### Outlook is Encouraging

In regard to the outlook for the current year, C. G. deTonnacour, president and managing director, says that booked orders for January and February showed an increase of 152 per cent compared with those of last year. It is to be expected, he continues, that 1934 will witness a substantial increase in both turnover and profits.

Particulars of the income account during the past two years follow:

| | 1933<br>$ | 1932<br>$ | 1931<br>$ |
|---|---|---|---|
| Gross | 343,496 | 317,355 | 217,003 |
| Exp., etc. | 186,618 | 206,361 | 197,045 |
| Balance | 156,877 | 110,993 | 19,958 |
| *Other prof. | 1,026 | ...... | ...... |
| Oper. prof. | 157,903 | 110,993 | 19,958 |
| Deduct: | | | |
| Interest, etc. | 46,306 | 51,956 | 54,064 |
| Dep. res. | 78,438 | 77,378 | 75,000 |
| B. D. res. | 47,120 | 44,367 | 22,500 |
| Non-op. exp. | 1,453 | ...... | ...... |
| Reorg. exp. | 18,000 | 18,000 | ...... |
| Bond ext. exp. | 876 | ...... | ...... |
| Net loss | 34,300 | 81,708 | 131,605 |
| Prev. surp. | †66,200 | 288,845 | 420,450 |
| Balance | 31,900 | 207,137 | 288,845 |
| Adjust. | ...... | 1,274 | ...... |
| ‡Loss | 1,319 | 4,133 | ...... |
| Other loss | §63,668 | °135,303 | ...... |
| Prof. bds. red | ...... | 500 | ...... |
| P. & L. bal | ♦33,087 | 66,925 | 288,845 |

* Profit on Guelph operations.
† Loss on fixed assets sold and scrapped.
‡ Loss on machinery sold and scrapped.
° On fixed assets to December 31, 1931, as ascertained by physical inventory of plant.
♦ Deficit.

Working Capital Position

| | 1933<br>$ | 1932<br>$ | 1931<br>$ |
|---|---|---|---|
| Curr. assets | 792,517 | 856,290 | 907,298 |
| Curr. liabs. | 338,212 | 458,428 | 451,381 |
| Work. cap. | 454,304 | 397,862 | 455,907 |

### Reduce Bank Loans

The balance sheet at the end of 1933 shows a general strengthening as compared with that reported for 1932. Bank loans have been reduced from $330,000 to $187,500. Minor changes are noted among current liabilities, while the funded debt remains unchanged at $389,300.

The capital stock continues to be the same, while a balance in the profit and loss account of $66,925 at the end of 1932 has been converted into a deficit of $33,087 at the end of last year.

### Inventories Are Lower

Among assets of the company, which aggregate $2,333,914 compared with $2,521,055 at the end of 1932, it is noted that cash on hand has tripled to $87,865. Accounts receivable are slightly higher at $223,950, while inventories have been reduced by more than $100,000 to $477,284.

Investments have declined from $22,716 to $2,417, while deferred charges have been reduced by about one half to $47,693.

A new item in the 1933 balance sheet is funds held by the trustee for bondholders amounting to $18,593. This represents proceeds from sale of machinery due to the closing down of the Guelph mill last spring.

Fixed assets now stand on the books at $1,442,017 compared with $1,587,481 a year ago. Goodwill is carried on the books at a nominal figure of $1.

### May Limit Directors

A special general meeting of shareholders will be held on March 27, immediately following the annual general meeting to sanction a by-law reducing the number of directors from 9 to 7.

Can Carry Maximum Allowed Load

One of the largest trucks in the province was recently purchased by Steel Co. of Canada from International Harvester Co., also of Hamilton. This truck is being used in handling heavy steel girders.

# ANNOUNCE FORD 1934 TRUCK LINE AT END OF MONTH

## Commercial Chassis at Motor Shows Had Many New Features

Ford of Canada will announce its 1934 line of trucks and commercial cars on March 30, The Financial Post learns. No information regarding details of these new models is available although it is understood that a number of important changes have been made.

Commercial models exhibited at the 1934 motor shows incorporated a number of special features, of which the following are most significant. Frame is double drop, double channel member with X-brace. In the rear axle the driving pinion is straddle-mounted. There is a roller bearing on each side of the pinion to ensure proper mesh under all driving conditions.

The V-8 engine is 90 deg., L-head, cast en bloc. Piston displacement is 221 cu. in.; bore 3 1/16 in., stroke 3¾ in. Compression ratio is 6.30 to one, and S.A.E. h.p. rating 30, with a developed h.p. of 75 at 3,800 r.p.m. Maximum torque at 1,200 r.p.m. is 147 ft. pounds.

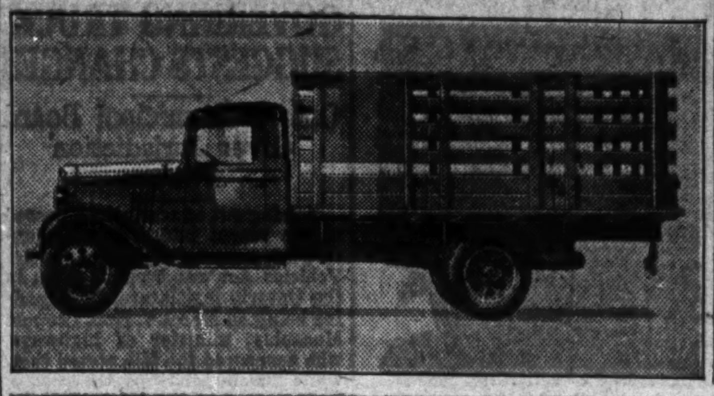
The four-cylinder engine is L-head, cast en bloc. Piston displacement, 200.5 cubic inches; bore 3⅞ inches; stroke 4¼ inches. Compression ratio 4.6 to one. Horsepower rating S.A.E., 24.03. Brake horsepower, 50 at 2,800 r.p.m. Maximum torque, 128 ft. pounds at 1,400 r.p.m. Lubrication by combined pump, splash and gravity system.

Transmission is standard, selective sliding-gear type, with four speeds forward and one reverse. Main shaft and countershaft are carried on roller bearings. Brakes are fully-enclosed mechanical type, operating on special malleable iron drums. Total braking area is 465 sq. ins.

Clutch is Ford heavy-duty, single dry plate, completely enclosed, with total acting surface of 102 sq. ins. Lubricator extends through floorboards.

Two wheelbases are available on the truck chassis, 131½ and 157 ins. More than 200 ball and roller bearings are used throughout the chassis.

Chevrolet 2-ton Truck on 157" Wheelbase



# International Co. Has Full Line Cars and Trucks

With about a dozen models, ranging from one-half ton commercial cars to 7½ ton trucks and semi-trailers, International Harvester Co. of Canada, is in a position to supply the needs of almost all operators of commercial fleets. Included in their complete line of models are a door-to-door delivery van, several types of stake trucks and dump trucks, heavy duty trucks and semi-trailer vans.

Recently the company delivered to the Steel Co. of Canada, at Hamilton, Ont., what is believed to be one of the largest trucks operating in the province of Ontario. This truck, which carries a license for the maximum load permitted by the provincial highways department, is a ten-wheel job. The body is specially constructed for the handling of heavy steel bars and other products of the steel mills; it is 18 ft. by 8 ft. and is constructed of 2 inch oak flooring heavily reinforced on 6 inch oak foundation sills.

It is stated that this truck will handle an average tonnage per day of upwards of 40 tons of steel products.

## C. S. L. Bond Committee Extend Deposit Date

From Our Own Correspondent

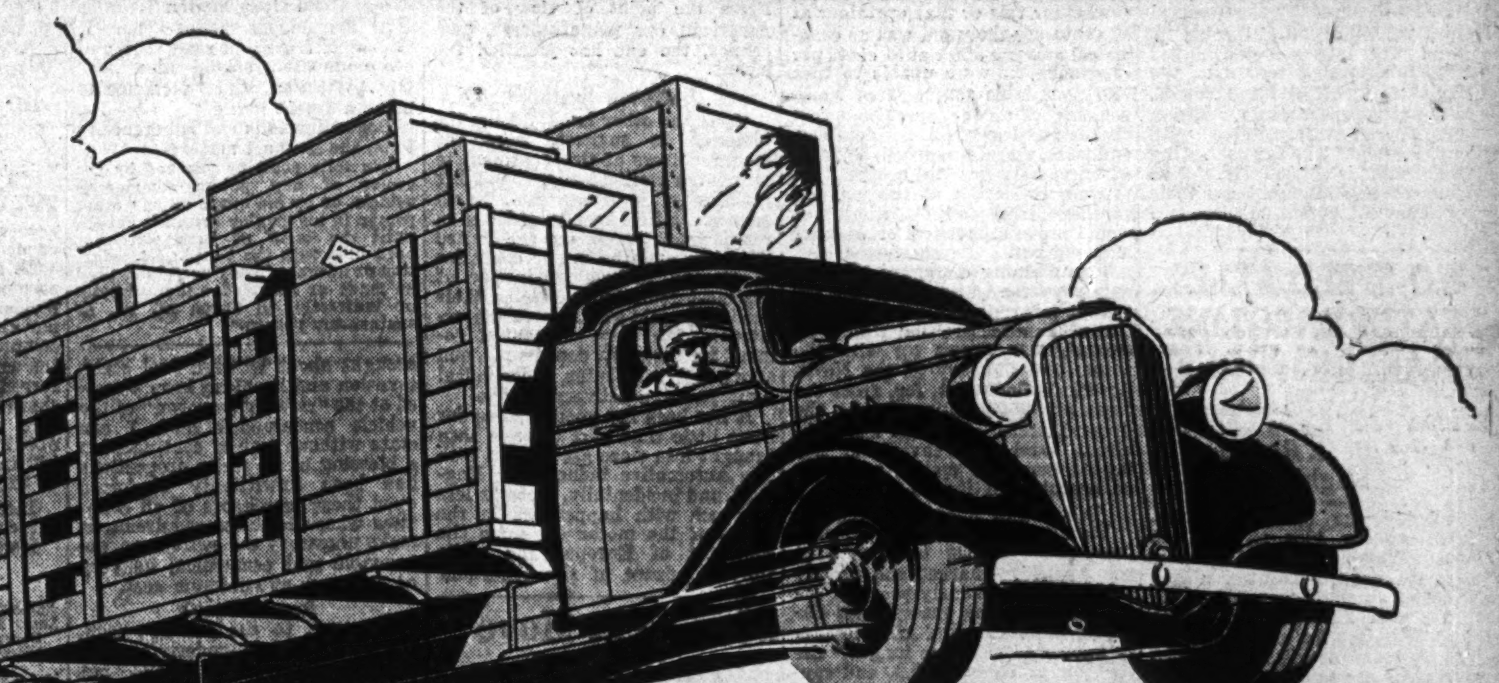
MONTREAL. — The Bondholders' Protective Committee of Canada Steamship Lines has extended the date for depositing bonds under the terms of the deposit agreement to May 31, 1934.

The committee also announced that a statement is in course of preparation giving to the bondholders all current information concerning the operations of the company, etc. This will be mailed during the next week or two.

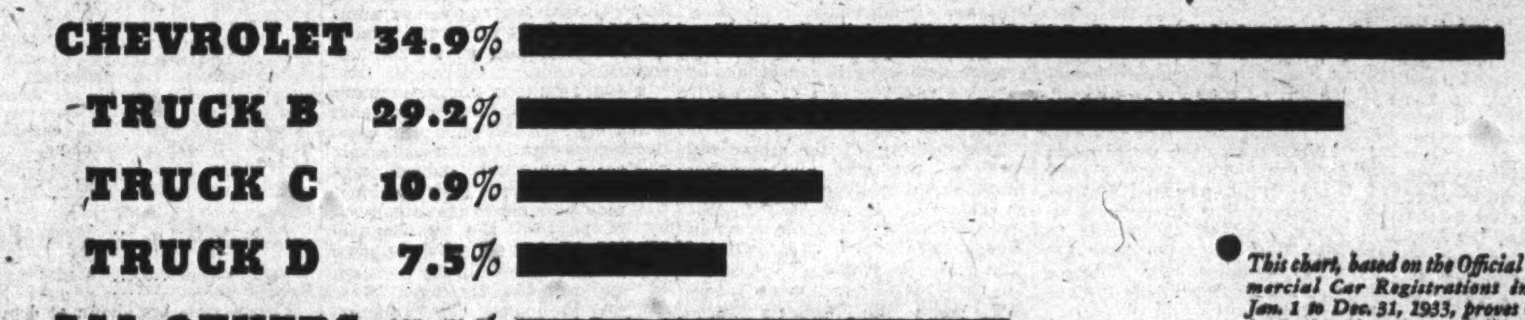
NOT WHAT WE SAY

but

WHAT BUYERS HAVE DONE!



CHEVROLET IS CANADA'S GREAT TRUCK LEADER



● *This chart, based on the Official New Commercial Car Registrations in Canada, Jan. 1 to Dec. 31, 1933, proves Chevrolet's leadership in sales over all other trucks.*

NOT IN ADVERTISEMENTS — but in the Official Government Truck Registrations — will you find the real proof of Chevrolet's outstanding leadership. These figures are accurate, up-to-date and available to all who care to see them. They show that Chevrolet Trucks outsold all other trucks in 1933. They show too that this year, Chevrolet is farther ahead of all the rest than ever.

But, don't stop at accepting Chevrolet's great leadership in sales. Get the facts about the truck itself and be convinced of Chevrolet's matchless lead in value. Check these features: Five new chassis for 1934 — ½ to 5 tons capacity. Bigger, Chevrolet-built bodies with larger load space. Advanced truck engine with the revolutionary Marine Type cylinder head. More power, more torque than ever — with even lower cost for gasoline and oil. Sturdier, smarter appearance. Truck-built axles, clutches and transmissions. And the Maple Leaf heavy duty 2-ton models have a five-speed transmission and full-floating rear axle.

There's a line-up of extra values no other low-priced truck can duplicate. And don't forget — that's touching only the highlights of Chevrolet's great total of truck advancements for 1934.

Investigate them all — see Chevrolet quality demonstrated — and discover the new, reduced Chevrolet Truck prices by getting in touch with the Chevrolet dealer near you today. Whether you need one truck or one hundred, YOU'LL SAVE WITH CHEVROLET!

CHEVROLET TRUCKS

½ to 5 Tons Capacity

*for economical* CHEVROLET *transportation*

A GENERAL MOTORS VALUE PRODUCED IN CANADA

CT-34A

# G.M.C. 1934 TRUCKS FEATURE INCREASE IN POWER RATINGS

## New Sedan Delivery Job Has Knee-Action Wheels

While the comparatively small market available in Canada does not warrant production of General Motors of the complete line of buses and trucks manufactured in the United States, two entirely new models are included in the G.M.C. line of trucks and trailers for 1934 in Canada. In addition, all the numerous models of former lines have been re-designed with emphasis on heavy duty performance, rating being stepped up considerably in some instances.

General Motors is prepared to manufacture at its Oshawa plant a number of models of unusually heavy capacity and high rating, these to be built to special order.

Performance and appearance in the whole line have been improved. All models are equipped with coach type sheet metal, in keeping with modern requirements. The 1934 cabs are considerably larger, offering greater driving comfort.

### Knee-Action Wheels

Probably the outstanding model in the 1934 G.M.C. lines is the Sedan Delivery, which has a capacity of one-half ton. This model, designed primarily to meet the needs of high class stores having city delivery is mounted on a passenger car type chassis with the "knee action" front wheels. This sedan delivery job follows the passenger-car trend of design throughout.

Another addition to the line is the new model T-16 which is powered by the six cylinder valve-in-head engine, having a cubic displacement of 206.8 ins. with 60 brake h.p. and a sustained torque of 148 ft. pounds from 800 to 1,800 revolutions per minute. This unit is available in only one wheel base, namely, 131 ins., and is designed strictly for panel or canopy express body units. The peak load capacity of this job is strictly one ton and it is equipped with three speed syncromesh transmission, a specially designed axle and wheels of the steel spoke type.

### Conform to Standard

The well-known T-18 and T-23 models are available for 1934 in wheelbase lengths of 140¾ ins. and 164¾ ins., these lengths conforming to the S.A.E. standard for 9 ft. and 12 ft. bodies. Both of these units are powered by the General Motors valve-in-head 221 cubic in. motors. The T-18 is now equipped with a full-floating rear axle, the rating being increased 9,500 pounds. The T-23 incorporates in addition a five speed transmission with silent fourth. The gross rating of this unit is 11,000 lbs. B.K. vacuum power brakes are available as optional equipment on these two models.

# TWO-SPEED AXLES FEATURE REO LINE, BRAKES IMPROVED

## Prices of 1934 Models Have Been Reduced Slightly

Probably the outstanding improvement for 1934 in the Reo "Speed Wagon" line is the new two-speed rear axle unit that makes available, at slight extra cost, on all 1½ and 2½ ton and larger Speed Wagons, the advantages of eight forward speeds. These two speed units are said to permit high road speeds on good pavements with moderate engine speed, avoiding the extra engine wear and increased fuel and oil consumption inevitable with excessively high engine speed. Extra forward gear ratios make it possible for the driver to use all the engine power needed for any load, road, grade or speed, according to this manufacturer.

Many other improvements and refinements are offered in the Speed Wagon line. Increased production and manufacturing economies effected during 1933 have made possible substantial savings, according to the manufacturer, and these have been passed on in the form of reduced prices on the 1934 models.

### Manufacturing Rearranged

With manufacturing facilities in the Reo factory rearranged, the firm is now producing for its entire Speed Wagon lines all of the major units, including engines, transmission, standard and two-speed rear axles, front axles, frame assemblage and other parts.

All the rear axles have been redesigned to give greater strength and dependability. The new steel housings are stronger and more rigid. Transmission gears, as well as drive pinions and ring gears are of carburized nickel-molybdenum alloy steel to give a combination of surface hardness to resist wear, and toughness and strength to resist load and shock.

Service brakes are hydraulic, two-shoe type, fully enclosed and operating in cast alloy drums. Hand brakes on all the smaller models have been redesigned. The 2-5 and 4-6 ton heavy duty models are fitted with disc type propeller shaft, and the 4-6 ton truck is equipped with vacuum booster to amplify muscular efforts in operating the brakes. Vacuum-operated hydraulic brakes are standard equipment on all Reo trailers.

On the 32,000 pound gross rating tractor trailer outfit and on the eight cylinder buses, Westinghouse air brakes are supplied when specified.

SALES ENGINEER

with excellent connection in the transportation field in Canada, wishes to make a permanent connection with a progressive manufacturer of commercial automotive equipment, where his experience and connection can be capitalized to mutual benefit.

A personal interview will confirm the advertiser's experience and up-to-date knowledge of the problems of modern transportation and distribution and his ability to sell transportation on a sound engineering basis. Willing to travel anywhere. Has good connections in export markets.

BOX 256, FINANCIAL POST

**On Ottawa Mail Route**

POSTES CANADA POST
G R

Austin "Sevens" have proved successful in operation for the post-office department. Running costs are said to be less than for a motorcycle.

# Points to Possible Cut In Parcel Delivery Costs

## Claims That While American Manufacturers Have Been Concentrating on Speed and Power, British Have Stressed Reduction of Operating Costs

By E. PALMER CLARKSON, C.E.

In these days of low prices and keen competition, the merchants' cost for servicing articles sold has proven, in many instances, even greater than the actual profit upon the goods sold. However, deliveries must be made — whether the order is for a spool of thread or a new electric refrigerator.

While upon many occasions it has been my privilege to confer with executive officers of large institutions in Canada and the United States, employing fleets of cars in their package delivery systems, as also with the individual merchant operating from one to half a dozen delivery vehicles, I have not, as yet, been called upon to deal—other than in a general way—with the truly "burning" questions of fuel and lubrication economy; in retrospect, I find good and wholly practical reasons for our having evaded, rather than avoided, these questions.

### Question Evaded

For while we carefully probed the cost of string—the cost of general effectiveness and usefulness of gummed paper as opposed to string—whether this or that container at 50 cents per thousand was as economical as some other at 51 cents per thousand—we were unable to turn to any reliable source from which vehicles of lower operating cost characteristics could be obtained, and were, therefore, driven by force of circumstances to accept that product or design at the moment available, irrespective of whether it would prove economical or whether it would not.

This seeming disregard of what may properly be termed a cost essential is attributable to a condition of manufacture that rightly or wrongly has grown up with the automotive industry of the North American Continent, for, from the days of its inception up to the present, trend of design has definitely, surely and invariably embraced increased motive power as an essential of its progress.

### Power and Speed Progress

Visualize the first high-class passenger vehicles introduced to the American market and largely sold back in the early years of the 20th century, the one-cylinder Cadillac, familiarly and affectionately known as the "one lunger," delivering probably 15 h.p. and capable of a turn of speed of 35 miles per hour (perhaps); then turn to the Cadillac of today, a truly magnificent piece of engineering and coachwork, with its sixteen cylinders purring away under the hood and delivering 46.9 horsepower and capable of a speed of 90 miles per hour.

Again, turn to today's wonderful product of the man who made the North American automotive industry possible—Henry Ford—with the old Model T, his first car, produced upon a volume basis—the car that made him famous the world over; and then consider the new V-8 Ford of today—truly, as Fred Frame, the famous racing driver puts it, "it takes a lot of automobile to average 80.22 miles per hour for two hundred miles over a course like that" (referring to the Indianapolis Speedway).

You may readily ask the questions of why, where, how do the foregoing statements bear upon the matter in hand, i.e., can economies be effected in the cost of package delivery!

At no time in the history of the American automobile industry have the volume producers seriously specialized upon the production of a motor vehicle particularly designed, from the standpoint of economical operation, to take care of the lower bracket of the delivery problem—the transmission of the average parcel for the average customer.

Conversely, as the motive power of the American motor car has been designed and redesigned—as the tremendous strides forward in standardization, accessibility, reduction of weights, perfection of metal contents, carburation, ignition and so forth, have become accomplished facts over the years, this progress has invariably been coupled with substantial power increases and just as surely have these power increases been applied to the work-a-day commercial vehicle.

I happen to possess a fairly intimate knowledge of the bearing upon cost where volume production is a primary factor, and of the establishing of multiplicity in engine design, and it is with no thought of criticism I outline the conditions as they actually exist. From the point of view of the American car manufacturer, perchance, the end has justified the means.

### European Research

Upon the other hand, I have the temerity to suggest, were the manufacturers of this continent to survey the limitless sales field lying practically unproven in North America, a field keenly exploited in recent years throughout the United Kingdom and the major countries of Europe, a field productive of the most remarkable results, their findings would go to prove the existence of a very substantial demand for a sturdy, dependable, and above all attributes, economical light package delivery vehicle.

It has been my good fortune for some little time past to have been brought into close association with the Automotive industry in England, and incidentally, more or less in touch with happenings in the world of the motor car upon the continent of Europe; and while fully cognizant of the conditions brought about by high fuel costs, taxation and licensing laws directed at the "rated horsepower" of the vehicle concerned abroad, I can state without fear of contradiction a blessing of no mean proportions has been unwittingly conferred upon those merchants of all countries whose business requirements make necessary the swift, sure, dependable and economical delivery of packages at minimum cost.

### Results Speak

However, to the average man, the fundamentals underlying any specific development make but little difference—we are all more greatly concerned with results.

The up-to-the-minute executive of a large Canadian department store determined, a little more than a year ago, upon cutting their fleet of some twenty odd delivery vehicles in half, and replacing this disposal with an equivalent number of reputedly economical package delivery cars of British design.

Actual results in this, as in many other instances, have been most gratifying. In this particular case, the service has been "speeded up" and costs materially reduced, figures going to prove that though it was only possible to make deliveries of part of the merchandise handled at an expected reduced cost per package—for 50 per cent of the vehicles employed were carrying the load of cost reduction for the entire fleet—the overall cost was actually reduced from 14 cents per package delivered prior to the change to seven cents; admittedly a striking example of the elimination of waste.

# Plan Next Move In Price Bros. Reorganization

From Our Own Correspondent

MONTREAL—The next step in the negotiations to place Price Bros. and Co. on a sounder footing, and, incidentally, acquisition of controlling interest by either Duke-Price Power Co., Lord Rothermere and Lord Beaverbrook, or the group represented by Bowater Paper Mills, is being awaited with interest.

The meeting of the unsecured creditors, preferred and common shareholders took place in Quebec as scheduled. As expected the unsecured creditors and the common shareholders voted approval of "the company proposal" sponsored by the Duke-Price Power interests, while the preferred shareholders signified their confidence with the opposition.

As previously mentioned in these columns it was to be expected that the company proposal would be approved by the unsecured creditors, largest of whom is the Duke-Price Power Co., while the same interests holding or having proxies for a majority of the common stock would also vote in favor of the company plan. The preferred shareholders' protective committee had previously approved the Bowater plan and voted accordingly at the meeting.

The unsecured creditors, of course, could vote only on the company plan as the Bowater group had withdrawn their offer to them.

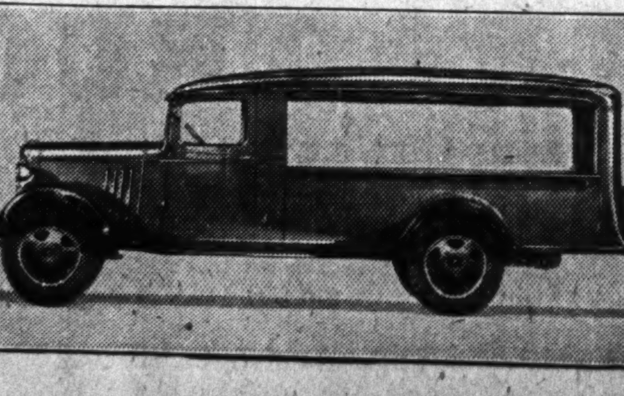
A stalemate having resulted at the Quebec meeting, it is now possible that the Bowater interests will take the next step to bring about a settlement of affairs. The bondholders' committee have committed themselves in accepting the Bowater plan. Having failed to secure the support of the common shareholders, the next step would appear to be foreclosure and putting the property up for public auction.

## Studebaker Trucks Ready End of March

Studebaker Corp. of Canada announces that its 1934 line of trucks will not be announced until the very last part of March. It is understood that many refinements will be incorporated in the 1934 cars, streamlining along the lines of the passenger cars being stressed.

Delivery vans and light and medium weight trucks form the bulk of the Studebaker offerings, a wide range of models and wheelbase lengths being available.

**Chevrolet Canopy Express, 1½-ton Chassis**



# NEW ONTARIO ACT GOVERNING TRUCK SUGGESTS CHANGES

## Ontario Municipal Board Given Jurisdiction Powers

Arising out of resolutions passed at the recent interprovincial conference, a new Public Commercial Vehicles Act was brought down in the Ontario legislature, first reading being on March 7. Hon. Leopold Macaulay, minister of highways, who sponsored the bill, stated that, while the majority of the resolutions passed at the interprovincial conference were already incorporated in the Ontario act, it was thought desirable to rewrite the bill and include such items as were not previously included.

A slight change in jurisdiction of commercial vehicles is proposed in the bill. Generally speaking the Highways department will continue to deal with matters relating to public commercial vehicles, but applications for new licenses and control over the operations of owners of these vehicles in respect to the adherence of the public tariffs and discrimination in rates will be dealt with by the Ontario Municipal Board. The board is given power to make orders in respect thereof and to which the department of highways will give effect.

### Exemptions Continued

Exemption allowed to public commercial vehicles operating within one urban zone (described as "an area consisting of one urban municipality and lands adjacent thereto and within a distance of three miles therefrom") is extended in the new act as is exemption to vehicles engaged in the shipment of farm and forest products except livestock and milk.

When the bill was brought in for first reading, Mr. Macaulay announced that he was requesting the provincial department of labor to investigate fully the matter of minimum rates of pay for drivers in order that adequate pay for them will be ensured under the forthcoming regulations for operation of public commercial vehicles in this province.

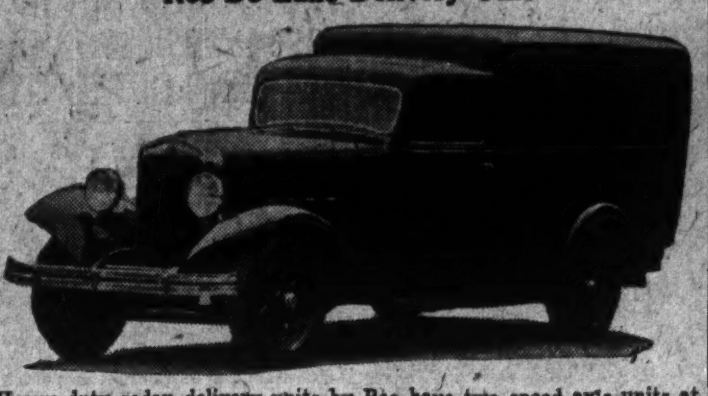
### Propose Minimum Wage

The minimum wage that is expected to be set up as a result of the labor department's enquiry will be the first to be established for men in Ontario, and results from the fact, Mr. Macaulay stated, that operators on railways are safeguarded along similar lines. In Mr. Macaulay's belief men in charge of trucks on road routes of communication should also have pay protection, and "a chance to make a decent living."

Regarding tolls and adherence to tolls, the new act states:

> "No tolls shall be charged by the owner of any public commercial vehicle, or by his agent or any other person in his employ or in his behalf, until the tariff of such tolls has been filed with the board. No reduction or advance in any such tolls shall be made or accepted either directly or indirectly, in favor of, by, or against any person."

**Reo De Luxe Delivery Unit**



Heavy duty sedan delivery units by Reo have two speed axle units at slight extra cost.

# *Taxation of Motoring Gives 28.7% Provincial Revenues*

Just how luxurious taxation has made motoring in Canada is indicated by the fact that 28.7 per cent of the total revenue of the nine provinces was derived from gasoline taxes and sales of car licenses in 1933. Whereas it cost the average motorist $31.20 for these items of expense in 1929, it cost him over $43 in 1933, according to The Financial Post's calculations.

Between 1929 and 1933 there has been a decline in gasoline consumption, a reduction in car registrations and a decrease in provincial revenues. But registration fees and gasoline taxes have been raised so, that the total amount squeezed from motorists by the provinces jumped about eight million dollars.

While the figures for the various provinces are not strictly comparable, because fiscal years do not coincide, they show Ontario to be much the largest drainer of the motorist's pocket. Quebec is well back in second place. The figures below tell the story of the increasing tax burden on taking "the bus" out of the garage:

Provincial Motoring Taxation
1933 Fiscal Year

| Province: | Total Revenue | Revenue from Gas Tax and Motor Licenses | |
|---|---|---|---|
| | $ | $ | % |
| Ontario | 51,373,051 | 19,848,863 | 38.6 |
| Quebec | 31,023,889 | 9,946,877 | 32.1 |
| Br. Columbia | 20,180,145 | 3,930,177 | 19.5 |
| Alberta | 15,426,265 | 3,069,707 | 19.9 |
| Saskatchewan | 14,884,887 | 2,930,673 | 19.8 |
| Manitoba | 12,542,930 | 2,264,497 | 18.1 |
| Nova Scotia | 8,100,988 | 2,193,982 | 27.1 |
| New Brunswick | 5,868,362 | 1,607,089 | 27.4 |
| P. E. Island | 1,206,025 | 278,936 | 23.1 |
| Total | 160,556,542 | 46,070,801 | 28.7 |
| 1929 | 183,646,225 | 38,102,915 | 20.7 |

**New Federal Truck**

Federal introduced two new truck models in 1934, the above being a two-ton stake-bodied job.

# TAMBLYN EARNS $22.34 A SHARE ON PREFERRED

## Working Capital Position Improved; $15,000 Paid on Mortgage

Net earnings of G. Tamblyn, Ltd., were again lower in 1933 but after provision for depreciation reserve and taxes, the company earned $22.34 per share on the 5,017 shares of preferred stock outstanding. After paying preferred dividends the company earned $2.74 per share on the 28,000 shares of common stock outstanding. In 1932 the company earned $27.27 on preferred shares and $3.57 on common shares. Net earnings in 1933, before depreciation, are shown at $186,277. This compares with $215,929 in 1932 and the peak earnings of $266,564 shown in 1931.

Income and surplus account of the company is as follows:

INCOME AND SURPLUS ACCOUNT
Years Ended Dec. 31

| | 1933 | 1932 |
|---|---|---|
| | $ | $ |
| Net earnings | 186,277 | 215,929 |
| Less: Interest | ...... | 5,825 |
| Deprec., etc. | 56,252 | 55,101 |
| Income tax res. | 17,906 | 17,062 |
| Net profit | 112,119 | 137,941 |
| Less: Pref. divds. | 35,331 | 37,842 |
| Surplus for year | 76,788 | 100,099 |
| Add: Prev. surplus | 592,281 | 494,701 |
| Less: Addl. inc. tax | ...... | 2,519 |
| Balance forward | 669,069 | 592,281 |

Working capital showed an increase for the fourth consecutive year. Cash is up to $91,629 from $86,057 and investment in Dominion of Canada bonds is up to $147,728 from $76,900. Inventories at cost are up to $673,242 from $658,782. Accounts and bills payable are down to $252,809 from $262,852. Reserve for income tax shows little change at $19,346. Working capital position is as follows:

Working Capital

| | 1933 | 1932 |
|---|---|---|
| | $ | $ |
| Current assets | 917,271 | 824,821 |
| Current liabilities | 280,935 | 291,935 |
| Working capital | 636,336 | 532,886 |
| Ratio | 3.27—1 | 2.83—1 |

Fixed assets are shown at depreciated value of $634,135. Mortgages payable have been reduced by $15,000 to $80,000 of which $45,000 matures in 1934. An additional 42 shares of preferred stock have been purchased in anticipation of sinking fund requirements.

## International Loan Net Profit is Higher

International Loan Co. had net profit of $28,231 in 1933 and ended the year with total assets of $1,093,175; in each case a small increase over 1932 figures. Paid-up capital was increased by $15,611 to $910,115. During the year $18,165 was provided for losses written off. Write-offs in 1932 amounted to $25,959.

The financial statement of the company shows investments in first mortgages and clear title agreements for sale at $999,897; real estate at $82,869 and cash at $10,410. Real estate was increased by $8,814 during 1933 while cash was up by $5,700. Surplus was reduced to $81,803 from $89,286. In addition to net profit, $13,825 was received as premiums on shares and collections on assets not admitted. A dividend of 3 per cent was paid December 31, 1933.

### Peat Output Down

Output of peat for use as fuel in Canada totalled 1,131 tons valued at $3,449 in 1933, as compared with 3,248 tons at $7,593 in 1932. The 1933 production was obtained from the St. Hyacinthe bog, P.Q., and the Chesterville bog, Ont.

# *Service to Subscribers*

Editor's Note:—An interesting interpretation of the relationship of the trade newspaper editor to his subscribers and of the work of the specialized paper to the community, is given by Colonel J. B. Maclean, Chairman of the Board, The MacLean Publishing Company, Limited, in "MacLean's Weekly," a staff publication: To give readers some idea of what publishers themselves think of their responsibilities and relationships to other interests, this interpretation by Colonel Maclean, issued originally for the company's staff only, is reprinted herewith:—

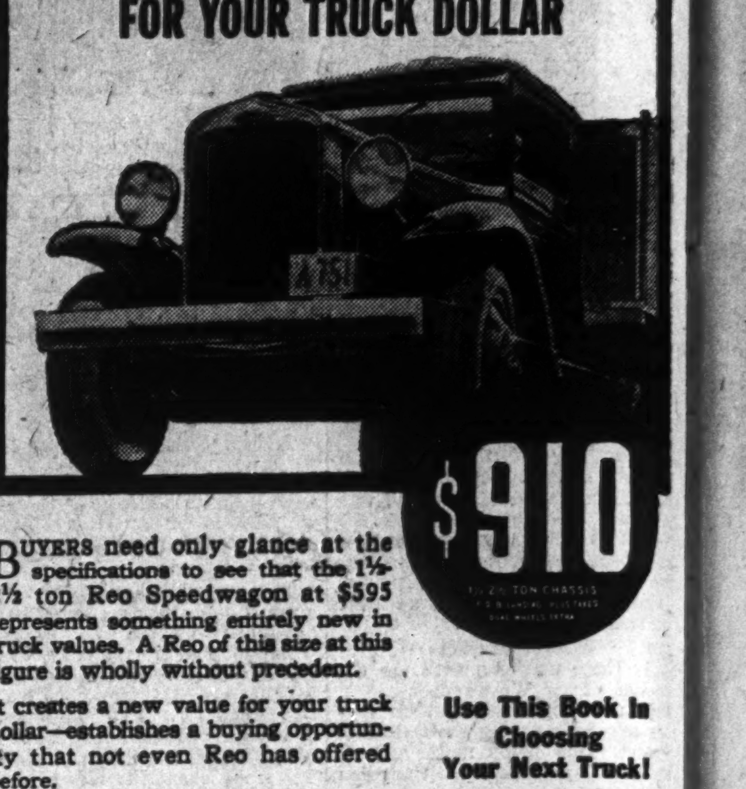
PRACTICALLY the managing editors and their staffs on our various papers are employed by over 500,000 Canadians at annual fees ranging from $1 to $5 —mainly persons engaged in or who have heavy investments in agriculture, commerce and industry directly or indirectly—to supply them with vital information, to interpret it and to advocate sound policies in the interests of these classes. It has been found that in addition to each of the 500,000 paying subscribers an average of five persons read each issue—2,500,000 in all.

Our readers are our clients. But here is a funny thing: When a lawyer presents an argument in court or makes a case to the public on behalf of his clients, nothing is said about it unless he makes a very successful case, and then he is very highly commended and perhaps made a member of Parliament or a chief justice. But when an editor publishes facts and deductions therefrom and makes arguments on behalf of his clients, he is often bitterly abused and sometimes subjected to organized punishment by racketeers and others.

Sometimes I have heard publishers of specialized newspapers complain of the increased attention a few of the metropolitan dailies here and in the States have been giving to fields which the specialized newspapers have hitherto considered exclusively their own. I think they are to be commended and we should, as we constantly do, give them full co-operation, only I wish they would give us credit when they reprint, as they constantly do, many of our exclusive news stories often obtained at big expense. Canadian agriculture, commerce and industry need all the useful information possible. Hence I wish the dailies would give more space to the practical, helpful things of life and less to the infinite details of sports, of crime, and the other frailties of humanity.—J. B. M.

★ REO ★

CREATES NEW VALUE FOR YOUR TRUCK DOLLAR



BUYERS need only glance at the specifications to see that the 1½-2½ ton Reo Speedwagon at $595 represents something entirely new in truck values. A Reo of this size at this figure is wholly without precedent.

It creates a new value for your truck dollar—establishes a buying opportunity that not even Reo has offered before.

This truck has more than mere price appeal. It is actually a TRUCK in every sense of the word—not an assembly of passenger car parts. The exceptional power and long life of the Reo-built Gold Crown Engine insure a range and regularity of service that has heretofore called for an investment of hundreds of dollars more.

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Reo Speedwagons and Trucks range from ¾ to 4-6 tons. New low prices—$850 and up. 32 wheelbases, all with Reo Gold Crown Engines. Tractor-Trailer units with correct load distribution and maximum pay load capacity. All prices standard chassis f.o.b. Toronto, plus tax.

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With these 15 Superiorities REO Challenges the field for Low Cost Transportation!

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THE QUALITY TRUCK IN THE LOW PRICE FIELD

Reo Motor Company of Canada Ltd.
TORONTO

## Dosco Secures Rail Order From Canadian Pacific

MONTREAL.—Work has started on a 4,000-ton rail order for the Canadian Pacific Railway at the Dominion Steel and Coal Corp.'s plant at Sydney, increasing the working staff of the plant at least 15 per cent. The rails will be shipped to Vancouver by boat when completed.

This is the third large rail order received by Dosco over the past twelve months.

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You know what a "big black wolf" Depreciation is! You know how gas and oil burn up!

These Austin Delivery Vans start even from scratch. They cost no more to buy than other good makes of delivery vans.

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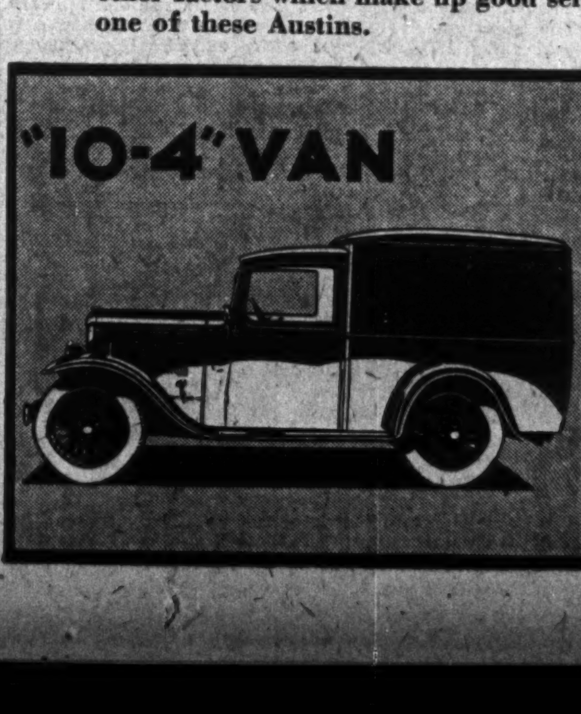

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*Annual Review of Trust and Loan Companies*

SECOND SECTION

# THE FINANCIAL POST

SECOND SECTION

Vol. XXVIII — Member of Audit Bureau of Circulations — PUBLICATION OFFICE: TORONTO, MARCH 24, 1934 — 10c a Copy; $5.00 a Year — No. 12

## Reserves Established By Mortgage Companies Are Signs of Strength

### Policy in Recent Years Has Been to Improve Reserve Position — Have Served Good Purpose — in Past Four Years

### RESERVES FALL IN TWO MAIN CLASSES

By W. K. COLIN CAMPBELL, C.A., Chief Inspector, Ontario Department of Insurance

The establishment of substantially large investment reserves by a loan or trust company may usually be regarded as a sign of strength and capable and conservative management. Large amounts have been transferred from surplus accumulations to these reserves during the last two or three years and are indicative of the constructive and intelligent management with which most such companies are blessed. It is a matter for congratulation that such large sums have been available, and still more, the fact that even greater sums remain unimpaired in reserve funds as bulwarks of protection of clients' funds.

The term "investment reserves" has come into prominence in the statements of loan corporations and trust companies only within the past few years. In former years, although internal reserves not shown in their balance sheets were carried by many of the more conservative companies, losses on investments were written off by many only as they were realized and a provision against further contingencies was made in the form of a "General Contingency Reserve."

While no period of depression in the past has been so severe in its effect upon these companies as that of the last four years its arrival found the existing companies for the most part in a sounder position than ever before and more able to withstand a severe shock. Large "Reserve Funds" had been built up and the protection afforded clients against loss of their funds was indeed substantial.

#### Two Classes of Reserves

Reserves of loan corporations and trust companies are of two general classes. 1. Reserve funds. 2. Investment reserves. They are as different in character and purpose as day is from night.

Reserve funds represent definite unimpaired worth of a business or equity of shareholders in addition to its paid-in capital stock. While known sometimes as "Rest" or "Reserve" they have come through long usage to be known by these corporations as "Reserve funds." They are always classified in a balance sheet with capital stock.

Investment reserves are carried by companies to provide for known or anticipated losses on assets, estimates being set up to provide for deficiencies the amount of which is problematical or not possible of discovery until such assets are disposed of.

While it is not a common practice to show investment reserves in a balance sheet of a loan corporation or trust company they may, in some cases, be found where a general provision against loss on all or several classes of assets is made in a single account. In such cases they will appear as a deduction from the total of such assets or be shown among the liabilities to the public.

#### Contingency Reserve

Some companies make a general provision against anticipated losses by an account known as "General Contingency Reserve." This term however is usually applied to designate an amount set aside against possible but unexpected losses. Although distinctly a type of investment reserve it has, through usage, come to be classified with capital and reserve fund under "Liabilities to the Shareholders" and appears as part of the shareholders' equity in the business. This point is worthy of special note inasmuch as the value of a business is frequently judged by the total amount shown as "Liabilities to shareholders."

Reserve funds are built up by companies from two sources (a) by premium received from sale of capital stock above par, and (b) by earned profit. Of the net profits earned each year the directors of a well managed company declare only a part for payment in dividends to shareholders. The balance, carried forward in the profit and loss account serves as a source from which to make transfers to reserve fund and provide for normal growth and expansion of the business.

#### Reserve Same as Capital

The reserve fund of a company should be looked upon in the same light as capital stock. It has been set aside for use in the same manner as capital and very definitely represents additional worth of a company's shares above par, and added security for the funds of its clients.

Loan corporations and trust companies because of their relations with the public and particularly because they are deposit-taking institutions must maintain liquid assets sufficient to meet all normal requirements. Likewise because of the public's funds they hold they must maintain strength and soundness and be capable of absorbing all investments or other losses they may sustain without materially impairing their security to the public. With the advance in methods and improved ideas in administration the use of "Investment Reserves" has become general.

While "Reserve Funds" are shown and treated alike by all companies, "Investment Reserves" are not accorded the same treatment. Although the very incomplete definition given above fits all of them they are capable of being handled in several ways as circumstances may require and are given various names as dictated by the purpose for which established and the whims of a company's management.

"Investment Reserves" may be divided into two distinct classes according to their use and purpose. A "Specific Investment Reserve" as its name implies is set up on a company's books as a provision against loss on a particular asset or class of assets, while a "General Investment Reserve" may be established as a single account against all or several classes of assets. While the latter is disclosed or shown in a balance sheet as described above, the former may be and usually is deducted for statement purposes from the particular class of investment against which it is held. While the latter is always evident to the reader of a balance sheet he has no means of knowing the amount of the former.

#### Use of Specific Reserves

The benefit to be gained by the proper use of specific investment reserves is plainly evident. They are particularly useful in the case of mortgages, the chief asset of most corporations of this kind. Establishment of specific investment reserves against mortgage accounts in arrears enables the accounts themselves to be written up to date with all charges and accumulations of interest while at the same time omitting from the profits all accrued income which may be doubtful of collection and from the balance sheet all amounts in excess of the estimated probable realization. By such treatment of the accounts and reserves company officers are enabled to see at a glance the true condition of every mortgage account to date regardless of its net realizable worth and at the same time, have the assurance that it is not unduly over-valued in the company's annual statement.

#### Use of General Reserves

General investment reserves are established usually to provide against losses which are variable among several classes of assets or where it is desired to disclose the reserves in the statement. While provision must be made for the deficiency of market value of bond investments below the values at which they are held on a company's books, the deficiency is variable and any increase in market value at one year-end over that of the previous year can be assumed to release an equal amount of the reserve to be applied against any increase in deficiency of value of any other asset. While the application of general investment reserves is more flexible than that of specific investment reserves, the former in being disclosed on a balance sheet from year to year enables a critical and unsympathetic public to misconstrue fluctuation in its amount and may sometimes cause a company undeserved embarrassment.

#### Reserve Policies Vary

Some companies carry both specific and general investment reserves. Having valued each class of asset and established a specific investment reserve against it to the extent considered necessary, a further provision is made by way of a general investment reserve against all assets to cover problematical deficiencies not specifically reserved against.

While the majority of companies carry specific investment reserves to a more or less degree of sufficiency, there are a few which disclose the whole of their provision for losses in a single general investment reserve. Unfortunately also there are some that voluntarily carry no investment reserves whatever and seem to trust to the good judgment of a supervising authority to appraise their worth and a kind providence to save them from disaster.

In examining the balance sheet of a company the reader cannot accept the fact that little or no amount of investment reserves is shown, as indicating the lack of them. By far the greater portion of investment reserves set up is applied directly against individual classes of assets and thus hidden from public knowledge. To avoid confusion he should know also that the word "reserve" is sometimes misused to describe accrued taxes and other liabilities. Proper appraisal of contingency reserves and reference to current government reports on loan and trust companies' affairs should be of material help to the reader of such a company's balance sheet.

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## Male Minimum Wage Law Proposed in Ontario

Minimum wage legislation for male labor, to be brought down in the current session of the Ontario legislature, is designed to eliminate employment of men to replace women at wages less than those paid to the latter.

Minimum wages will be based on a 48 hour week and any employment over that time will be paid as overtime. In the case of a firm where ordinary full-time employment is less than 48 hours a week, the lesser amount will be considered as the base for the minimum wage.

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## Business Insurance And Trust Companies

From all parts of Canada has come an extraordinary demand for reprints of the series of articles on Business Insurance by R. M. Haultain, which have been appearing in The Financial Post in recent weeks.

The demand has come from lawyers, business men, trust companies and life insurance officials and agents, with the result that reprint orders now total almost 12,000 weekly.

Article 12 of this very important series is published in this issue of The Post and shows the important place the trust company holds in the business insurance contract.

Trust company officials will find this article of especial value.

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## LEADERS SEEK SOLUTION FOR DEBT PROBLEM

### Extremists Want Blanket Moratorium — Revision of All Debts

### LOWER RATES

### Legislation Pending for Relief of Debtors — U. S. Action Sets Precedent

Economic thought has been stimulated as never before by the problems of the past five years, problems not only of national but international extent. Continued deflation of prices and values while debt structures remain at the level of boom years have given economists food for thought and thought gives rise to theories, sound and unsound. The year 1933 saw the start of one of the largest experiments that economists have been privileged to conduct with the inauguration of the Roosevelt administration in Washington. Irrespective of whether the experiment is a final success or not it is quite possible that certain phases of the plan may definitely influence Canadian policy in the future.

One of the high-lights of the year 1933 in Canada were the hearings of the Royal Commission on Banking and Currency which listened to evidence from coast to coast. While the report of the commission contained no recommendations as to the problem of debts in Canada nor attempted to settle the matter of long term and intermediate credits and interest rates, the evidence submitted to the commission strongly urged the reduction of interest rates.

#### Want More Relief

From the west and from certain classes in the east have come demands for relief for the debtor class from debts acquired when wages and prices were at the high levels of 1929. Provincial moratoria on mortgages put into effect in 1931, 1932 and 1933 in seven of the nine provinces, have offered only partial relief to debtors but have severely affected creditors such as loan and trust companies and insurance companies who are trustees for the savings of thousands of small depositors and purchasers of life insurance.

Debtors demand further relief. If the extremists were to gain their ends the sanctity of all contracts would be abolished. As an example the Farmer-Labor group in Saskatchewan proposes a debt adjustment policy that would require a general moratorium followed by a blanket adjustment of debts with interest accrued on debts during the past four or five years wiped out and interest paid during that time credited to principal. Further, it is proposed that a debt adjustment board should be set up which would have power to handle cases of those debtors who could not carry on even after the blanket adjustment had been made.

#### Believes Adjustment Necessary

The situation that has caused debtors to make the above demands has been the subject of serious thought not only by the debtors themselves but by legislators and leaders in the business and financial world. The views of the president of one of the Canadian life insurance companies were expressed to The Financial Post as follows:

"My own private view is that interest rates must come down. The debt burden of governments and municipalities, I think, is in many cases more than their taxpayers can bear. And I think that private debtors must be relieved by lowering interest rates. There are two ways of lightening the debt burden; first, by reducing interest rates, second by writing down principal of debts. In some cases principal will have to be written down. In order to do this it may ultimately mean that practically all classes of creditors will have to accept less.

"I think it would be unfortunate if debtors were to be crushed by failure of creditors to relieve the burden of debt. I think it would be better to face the situation now.

"Australia, in my opinion, deserves a good deal of credit for what was done there. They reduced interest on the internal funded debts substantially. Subsequently one of the largest mortgage lenders in Australia, the Australian Mutual Provident Society, voluntarily reduced mortgage interest, more or less forcing others to do the same."

This executive stated that he believed 3½ per cent would be a fair rate on a high-grade long-term loan. He pointed out that already some reduction had taken place in interest on institutional investments and that due to defaults the effective rate yield on municipal bonds held by insurance companies had probably dropped by one-half per cent and on mortgages by one per cent. Figures issued by the Ontario Department of Insurance show that the average rate earned on mortgages by loan companies registered in Ontario has dropped from 6.99 per cent in 1926 to 6.49 per cent in 1932.

#### Legislation Pending

The conference of provincial premiers held in Ottawa in January is understood to have discussed the problem of further reducing interest rates. On March 16, representatives of insurance, loan and trust companies conferred with the Prime Minister in Ottawa. Proposals are believed to include the amendment of interest laws, extension and broadening of the Farm Loans Act and emergency legislation with respect to the provisions of the Bankruptcy Act with reference to farmers.

#### Aid to Home Owners in U. S.

Of the many phases of the recovery programme of the Roosevelt Administration in the United States several provide for the relief of small debtors. The Home Owners' Loan Corp. was formed in June, 1933, with a share capital of $200,000,000 subscribed by the Federal Treasury. This corporation is authorized to issue $2,000,000,000 of 18-year four per cent bonds, with interest but not principal guaranteed by the government. Up to the end of 1933 some $45,000,000 of bonds had been issued in exchange for mortgages on 15,500 homes valued at not over $20,000. Cash loans of $188,000 had been made on 102 homes to pay off mortgages; loans of $186,000 had been made on 299 homes to pay taxes and repairs. Mortgagees accept the four per cent bonds in exchange for the mortgage and the mortgagor is charged not more than five per cent interest and must pay off his loan within 15 years.

During 1933 Federal farm financing institutions loaned U. S. farmers some $734,000,000 of which $215,000,000 represented farm mortgage loans; $217,000,000 loans by regional agricultural credit corporations; $57,000,000 of seed and crop loans. Farm mortgages in default have been refunded with five per cent Federal Land Bank mortgages. Other debts were reduced and consolidated by second mortgage loans. But not only was the farmer in distress able to get back his farm and arrange all his debts at a lower interest rate but for reducing his production by cutting acreage he received a bonus from the government.

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## Mortgage Companies Hold Unique Position In Financial Sphere

### Members of Dominion Mortgage & Investments Association Have $700,000,000 Invested in Mortgages Alone — Problems Discussed

From the presidential address given by W. G. WATSON at the annual meeting of the Dominion Mortgage and Investments Association, March, 1934

It might be well at this time, when all our financial institutions are under review, to outline one important place in the economy of the Dominion which our associated companies occupy. Banks, as such, are not permitted to lend upon the security of real estate, and the reasons for this restriction are accepted as being sound. That lending on real estate should be undertaken and facilitated is essential, and the application of large amounts of savings to that purpose is one of the outstanding factors in Canada's development. Early settlers in the first half of the nineteenth century organized societies in which farmers, artisans and traders in a limited way pooled their savings for the purpose of assisting home builders. These societies became vigorous in urging the regular deposit of savings, and received statutory recognition for the first time in Lower Canada in 1846. They were given power to borrow money in 1859, and to issue debentures in 1875. Since these early beginnings, and as the needs of home builders expanded, adjustments have been made from time to time. In the course of the evolution of the existing institutions devoted especially to mortgage lending, there have been but few casualties, and those were due more to human frailty than to their form.

#### Invest $700,000,000 in Mortgages

In 1882, the trust company came into being and, along with insurance companies, became important factors in meeting the demands of rural and urban home builders. Through the agency of these institutions a considerable proportion of the savings of the people are made available for that essential—the facilitation of home building. From the public standpoint, therefore, it is desirable that the functions of such institutions should be given scope and encouragement by the state. They have grown and accommodated themselves to popular needs as they have arisen. Presently, the extent to which demands for mortgage loans in Canada have been met is indicated by the fact that, at the end of 1932, the life insurance, loan and trust companies had invested in mortgages alone $700,000,000.

#### Loan Companies Are Trustees

Whether any change should be made with a view to diverting a greater proportion of the savings of the public into the mortgage business is a problem beset with some difficulty. Presently, important national organizations are making vigorous demands with this end in view and the most outstanding of these organizations are connected with the construction industry. To some extent, those associated with the latter attribute the prevailing depression to lack of mortgage funds. Their contention in this respect may not be too well grounded as other very important considerations have to be taken into account. Trusteeship, however, if it means anything at all, should provide security for savings in whatever form these funds are gathered together. Developments of the past five years—years of depression—have required that the utmost vigilance be exercised with a view to the continued security of such funds.

#### Legislation Restricts Collections

During the year, restrictions upon the collection of principal due have, with the exception of Prince Edward Island and New Brunswick, become almost general throughout Canada. The effect is no doubt reflected in substantially lower collections of mortgage principal which in turn affects the supply of money for mortgage account. Happily, there yet remains a large number of borrowers whose respect for their obligations is such that they will not be diverted from carrying them out by any statutory easements which may be provided. However, until normal relations between borrowers and lenders on mortgage account are restored, there will, inevitably, be a lower percentage of the savings of the people placed in mortgage loans. Another deterrent factor in this respect is the steadily mounting tax levied against real estate, which is gravely impinging upon its possible earnings, thus depreciating the mortgage security. Until urban expenditures come well within urban earnings and taxes cease to absorb a steadily growing share of the latter, the individual's ability to borrow on mortgage will steadily decline. A tendency, the portent of which cannot be mistaken, is the growth of municipal debt and its incidental fixing of charges upon real estate. At the same time, the assessors, resisting declines in values on every possible pretext, are nevertheless being compelled to make substantial reductions generally throughout Canada.

I have, however, no doubt that with a return to normal contractual relations between borrower and lender and further evidence of a fixed purpose by Governments and municipalities to reduce their expenditures and balance their budgets, as a substantial number of municipalities have already done, the same agencies which have served Canada so well in the supply of mortgage moneys in the past will take care of her requirements in this connection in the future.

#### Municipal Defaults 3 Per Cent of Total Debt

In addition to the important bearing which municipal administration has upon mortgage investments, our member companies are interested in it by reason of their very substantial holdings of municipal securities. The Select Standing Committee on Banking and Commerce in May last reported a funded municipal debt in Canada amounting to $1,584,000,000, carrying an interest charge of $77,616,000 annually—being equal to an average interest rate of 4.9 per cent. Although much has been said of individual instances of default, chiefly as to principal payments when due, only 3 per cent is in default both as to principal and interest—as to principal, 7 per cent is in default. According to "Current History," the corresponding figure as to default in the United States is approximately 10 per cent. Any default of this character is serious, and your Municipal and Corporate Finance Committee, judging by the attention given to its work, so regards the existing situation. In the provinces affected, the Governments are treating sympathetically any suggestions made to them as to the machinery available to deal with municipal finances when default occurs, and are giving ear also to suggestions having in view the prevention of default. The co-operation of the banks and the investment bankers has been sought in the latter respect and it is hoped that, before the present sessions of the local legislatures rise, some defects in existing legislation respecting municipal finance will be remedied.

#### Sees Signs of Improvement

There are many encouraging signs in Canada of a permanent improvement in business conditions which have persisted now for some months and one feels that it will require but comparatively little in the way of further employment to absorb the dwelling house vacancies in the larger cities, which should shortly result in a normal resumption of building on a modest scale, increasing in volume with the additional employment that should naturally follow.

One regrets, however, that the international situation is not so encouraging and as Canada is to such a large extent dependent upon her export trade it still behooves us to guard carefully our credit by watching expenditures, while using every endeavor to extend our markets not only within the Empire but without and particularly, I think, with China with whom Canada should enjoy an ever-increasing trade.

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## New Mortgage Money Available at 7 p. c.

For the first time since 1932 a few insurance companies and loan companies indicate a willingness to loan money on first mortgage security in Ontario. Since February there has been a limited amount of money available for such loans at 7 per cent although at least one loan company asks only 6½ per cent. Such loans as have been made, however, have been on residential properties occupied by the owners and have been made on an extremely conservative basis.

The majority of trust and loan companies continue to invest surplus funds in liquid securities and make no additional loans on mortgages until there is definite sign that further provincial legislation adverse to mortgagees is not forthcoming.

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## LOAN COMPANY REPORTS SHOW MORE LIQUIDITY

### Demand and Term Deposits Show But Slight Decrease

### RESERVES INCREASED

### Holdings of Cash and Government Bonds Are Up — New Investment in Mortgages is Negligible

The majority of Canadian loan and trust companies have reported lower profits in 1933 than were reported in 1932 and in many cases dividends have again been reduced or, more rare, have been passed entirely. But while income has been lower, the financial statements of these companies have in general shown improvement since there has been a continuation of the trend toward greater liquidity as holdings of government bonds and cash have increased and new investments in mortgages were negligible. That the confidence of the public was retained is indicated in the very moderate decrease in deposits and in the outstanding amount of loan company debentures and the guaranteed investment certificates of trust companies. The volume of assets in estates, trusts and agency accounts of the trust companies has again shown an increase.

In all provinces, with the exception of Nova Scotia and Prince Edward Island, the position of the loaning companies has been prejudiced by moratoria on mortgage payments and this has severely affected the amount that the loan companies have been able to collect from mortgagors. Interest payments, however, have been fairly well maintained and Ontario companies, loaning on the security of mortgages, collected 82.68 per cent of interest due in 1933. Collection of principal amounts due was not as satisfactory. The effect of prejudicial provincial legislation has been to keep the loan companies out of the mortgage field and their investment in mortgages has declined as book values have been written down. While foreclosure action has been restricted to those cases where the future payment appeared if possible the amount of real estate held by the mortgage lending companies has been increased.

#### Liquidity Higher

The trend toward greater liquidity was general and at December 30, 1933, the liquid ratio of 32 trust and loan companies reporting to the Ontario Registrar of Loan Companies was 63.28 per cent. This compares with 57.63 per cent at the end of 1932 and 38.27 per cent at the end of 1929. This ratio represents the proportion of cash and liquid securities, such as Dominion, provincial and municipal bonds, to deposit liabilities. The ratios are shown for each company in the annual report of the Ontario Registrar of Loan Companies and gives some indication of the ability of the various companies to meet deposit liabilities although the ratio alone does not give conclusive evidence either of strength or weakness.

#### Interest Rates Reduced

While a number of companies prove exceptions to the rule, it is generally true that the deposits maintained by the public with the loan and trust companies have shown a decrease. This decrease is relatively small but is greater than that shown in a deposit of the chartered banks. As at May 1, 1933, interest rates on deposits were reduced from three per cent to 2½ per cent by the chartered banks and most trust and loan companies reduced their interest rate on deposits from four to 3½ per cent.

During 1933, the interest paid on new debentures and guaranteed investment certificates was decreased but no uniformity of decrease was shown by all the companies and some companies continue to pay five per cent. The reduction in rate did not affect debentures and certificates already outstanding. In general, neither loan companies or trust companies have sought to secure additional funds through sale of their debentures and certificates and in some cases the company have refused to issue new investment certificates although such companies will renew maturing certificates. There is every reason to believe that as soon as the trust and loan companies see opportunities for investment and seek new money from the public that the volume of debentures and certificates outstanding will be increased, particularly in view of the low rates of interest now obtainable on high grade bonds.

The estates trust and agency funds of trust companies again show an increase. While the gain is not as large as that shown in 1928, 1929 and 1930 there is evidence to show that the trust companies are making substantial progress in this department which brings them nearly 60 per cent of their gross revenue.

#### Investment Reserves Increased

During 1933, there were further changes in capital account and many companies reduced the capital reserve that has been built up over a period of years in order to provide further reserves against investments and contingencies. Certain companies show their transfer from capital reserves by increasing other reserves shown in the balance sheet while other companies write down the book values of assets and this writing down of assets has resulted in a decrease in total assets of all trust and loan companies. As a result of transfers to investment reserves the equity of shareholders has been reduced.

No financial institution can be immune to the effects of three full years of depression but the record of the great majority of the Canadian trust and loan companies in 1933 gives reassurance to shareholders and to depositors alike.

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## Mortgage Moratoria Prejudice Position Of Lending Companies

### Sanctity of Contracts Must be Maintained if Nation's Credit is to be Retained — Relief of Debtors Can be Carried Too Far

### THINK RESULTS WOULD BE BENEFICIAL

From the presidential address of R. P. BAKER delivered at the annual meeting of the Land Mortgage Companies Association of Ontario

Perhaps the most difficult and discouraging situation confronting the mortgage lending institutions in this country today is the persistence with which some Governments seek to ameliorate the suffering of certain classes of debtors, apparently oblivious to the fact that they are merely transferring the distressing to other and larger groups of our citizens. The utter futility of attempts to wipe out debts by legislation has been demonstrated so often that it should be unnecessary to argue the point. Nevertheless it is evident that many people—some holding positions of responsibility— still believe that various forms of moratoria legislation are not only desirable but necessary in an emergency such as we have been facing in common with the peoples of other countries for the past two or three years, and I feel that you would expect me to discuss the question briefly at this time.

It should be pointed out that insurance, loan and trust companies provide the bulk of the funds for mortgage loans without which any kind of community development is virtually impossible. We must, of course, maintain a just balance between our responsibilities as creditors and debtors—we are both in almost equal degree — but our institutions have no right whatever to sacrifice the interests of policyholders, depositors, debenture-holders, beneficiaries under estates or even shareholders in any essential modification of its contracts.

#### Do Not Want Real Estate

Let me emphasize at the outset that we all share the feeling of genuine sympathy with mortgagors who find their ownership of property jeoparized as a result of their inability to meet their obligations. We strive to preserve ownership of properties by borrowers, and it has frequently been pointed out that the good sense of the lender impels him to extend the utmost leniency to embarrassed debtors during periods of stress—particularly when the lender happens to be an institution—as the last thing an institutional lender wishes to do is acquire property. This is a plain statement of fact that will not be challenged. Consequently a farmer who, with his family, knows the potentialities of his farm and is prepared to work hard and make some sacrifice in order to protect his home, requires no legislation to protect him from his creditors, as it is distinctly in the interest of the mortgagee to exercise the greatest possible patience with a good borrower who is temporarily unable to meet his obligations.

The same is true of the city dweller, who through force of circumstances frequently beyond his control, is forced to ask the indulgence of the mortgagee. It is fair to say that an overwhelming majority of our people want to pay their debts in accordance with contracts entered into, and do not seek to escape obligations they are able to fulfil, despite the fact that in numerous cases, the debts appear to be much more burdensome than anticipated at the time they were incurred, just as they expect our Governments and great institutions to meet their obligations in full. But many of these people need a little more time to settle and where there is an adequate margin of security and demonstrated ability to pay it is a comparatively simple matter for such borrowers to make satisfactory arrangements with the institutional lender. Thus leniency on the part of the lender plus determination on the part of the borrower, results in saving for the borrower properties that the lender has to acquire and all are happy.

#### Some Cases Hopeless

On the other hand there are those struggling under a load of debt, obviously too heavy to carry, with little or no reasonable hope of solving their financial difficulties, and in such cases it is manifestly unfair that the mortgagee should be embarrassed in cleaning up such a situation. Legislation that interferes with the long established rights of a mortgagee in such cases benefits no one, as it tends to destroy the morale of the borrower and causes injury to the lender that is most unjust. If, as frequently happens, the owner has, for one reason or another lost his equity in a mortgaged property, is there any just reason why the mortgagee, who advanced money in good faith, should be prevented from selling the property pledged as security, or from taking other action in order to salvage as much as possible of the amount owing? If a borrower is deserving and the amount owing is clearly beyond his capacity to pay, a mutually satisfactory adjustment of the debt can be agreed upon, which in most cases, ultimately works out to the benefit of all concerned. Naturally I do not maintain that in the event of the various acts of moratoria being repealed no cases of hardship will develop, but I do say most emphatically that the net result of such a move would be beneficial from the standpoint of the country as a whole and consequently advantageous to our people. It is quite clear that too much consideration has been given to superficial inconveniences and there is unfortunately, an exaggerated notion abroad that great numbers of home owners will be dispossessed.

#### Should Consider Creditor

If mortgages are left free and unhampered in dealing with their borrowers it should be possible to work out mutually satisfactory solutions in a vast majority of cases. If, however, Governments must interfere it is not unreasonable to suggest that they should be prepared to reimburse creditors for any losses that are attributable to such intereference. Our Governments should give due consideration to the rights and needs of the creditor lest we destroy the commercial morality of the country. It has been pointed out time and again that a very large proportion of all mortgage loans in this country have been made by our loan, trust and insurance companies and it has also been shown that the money so invested represents the saving of countless thousands of small investors in every walk of life. These are facts that should be kept clearly in mind whenever a new Moses appears to offer a panacea for our financial ills.

It is a sound credit policy to tide over in emergencies solvent institutions whose assets clearly outweigh liabilities and it is only common sense and in the national interest for institutions to extend the greatest possible leniency and assistance to good borrowers during a critical period such as that through which we have recently been passing. Inversely it is an equally unsound policy to attempt to validate the assets of an institution that is clearly insolvent or to carry a debtor indefinitely when it is obvious that he has no reasonable hope of paying his debts.

The heavy blows that have been struck at the principle of sanctity of contracts during recent years would indicate that many people forget that credit is nothing more, nor less, than confidence. Efforts on the part of Governments to improve the lot of farmers and others have contributed greatly to the heavy burden of debts now carried and it should be patent to all that iniquitous legislation such as we have witnessed only tends to aggravate an already difficult situation and retard recovery.

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## Dominion Loans of $424,000,000 Mature in 1934

The Dominion Government has approximately $424,000,000 of refinancing to do in 1934. In addition, there may be new financing on capital account in connection with the proposed $200,000,000 public works programme and for general purposes.

Largest loan maturing this year is the $222,216,850 5½ per cent Victory Loan due November 1. Due to the predominance of this loan among the maturities, approximate average cost to the Dominion of the loans maturing this year is 4.8 per cent. If the present advancing trend in the high-grade bond market continues, dealers anticipate that the cost of this money may be substantially lowered.

Issues maturing this year are as follows:

Dominion Loans Maturing in 1934

| Date | Amount | Rate % | Description | Payable |
|---|---|---|---|---|
| June 1 ... | £4,822,029 | 3½ | Stock | Eng. |
| July 1 ... | $ 33,293,470 | 5 | Bonds | Can. |
| Aug. 1 ... | 50,000,000 | 3⅞ | Tr. Bills | Can. |
| *Oct. 1 .. | 60,000,000 | 4 | Notes | N. Y. |
| Nov. 1 ... | 35,000,000 | 4 | Tr. Notes | Can. |
| Nov. 1 ... | 222,216,850 | 5½ | Bonds | Can. |

*Callable.

Only external maturities are the 3½ per cent loan of £4,822,029 and $60,000,000 of four per cent notes held in New York.

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With few exceptions, however, the loan corporations have maintained their position of strength and have retained the confidence of the public.

# Trust Companies

## Acadia Trust Co.

Acadia Trust Co., Truro, N.S. has built up a large reserve in comparison with its paid-up capital. Assets total $6,978,446. Earnings have been well maintained and the company is following a policy of keeping dividends at a nominal figure until reserve is built up to $800,000. The company has been in business since 1920.

**Officers and Directors**—A. R. Coffin, Truro, pres.; Harold F. Bethel, vice-pres. and man. dir.; Charles E. Stanfield, Truro; F. L. Milner, Amherst; J. W. MacLeod, New Glasgow; C. B. Smith, Halifax; H. M. Chase, Kentville; Hon. J. Fred Fraser, Halifax; Hon. E. M. McDonald, Pictou; Dr. J. L. McIsaac, Antigonish.

Earnings Record

| Year | Paid-up Capital $ | Net Profits $ | Div. Rate $ | Rate Earned $ |
|---|---|---|---|---|
| 1929 ..... | 200,000 | 44,583 | 8 | 22.29 |
| 1930 ..... | 200,000 | 48,324 | 8 | 24.16 |
| 1931 ..... | 200,000 | 55,619 | 10 | 27.80 |
| 1932 ..... | 200,000 | 55,239 | 10 | 27.61 |
| 1933 ..... | 200,000 | *46,902 | 10 | 23.45 |

*After deducting income tax reserve of $7,000.

| Year | Guar. Account $ | Estates Under Adminis. $ | Total Reserves $ |
|---|---|---|---|
| 1929 ...... | ........ | 2,930,786 | 400,000 |
| 1930 ...... | ........ | 3,714,517 | 400,000 |
| 1931 ...... | ........ | 5,034,003 | 500,000 |
| 1932 ...... | ........ | 5,733,349 | 500,000 |
| 1933 ...... | 898,752 | 5,152,876 | 500,000 |

## Administration & Trust Co.

Administration & Trust Co., Montreal, has been in operation since 1902 and has a number of well-known French-Canadians on its board of directors. Branch offices are maintained in each of the four Western provinces.

**Officers**—Hon. Rodolphe Lemieux, pres.; C. C. d'Anvers, vice-pres.; J. T. Leclerc, director gen.; J. C. Brosseau, sec.; C. E. Campiche, chief controller.

**Directors**—Hon. Rodolphe Lemieux, C. C. d'Anvers, M. Chevalier, Vicomte R. de Roumefort, E. L. Patenaude, Hon. T. Chapais, Hon. L. A. David, J. Sirois, L. S. St-Laurent, J. T. Leclerc, C. A. Roy, S. J. B. Rolland.

**Branch Offices**—Quebec, Winnipeg, Regina, Edmonton, Vancouver.

Earnings Record

| Year | Paid-up Capital $ | Net Profits† $ | Div. Rate % | Rate Earned % |
|---|---|---|---|---|
| 1929 ...... | 440,301 | 55,595 | 8 | 12.4 |
| 1930 ...... | 500,000 | 77,744 | 8 | 15.5 |
| 1931 ...... | 500,000 | 77,601 | 8 | 15.5 |
| 1932 ...... | 500,000 | 75,273 | 8 | 15.0 |

†Before depreciation.

| Year | Guar. Account $ | Estates under Adminis. $ | Total* Reserves $ |
|---|---|---|---|
| 1929 ...... | 192,532 | 25,080,154 | 336,109 |
| 1930 ...... | 171,132 | 28,007,656 | 376,156 |
| 1931 ...... | 162,600 | 28,156,131 | 413,758 |
| 1932 ...... | 93,400 | 28,556,652 | 449,031 |

*Reserve and unappropriated profits. Latest figures available.

## Brockville Trust & Savings Co.

Brockville Trusts & Savings Co., Brockville, Ont., has total assets of $1,880,306. The company was originally incorporated in Ontario as a loan company in 1885 and later was granted powers of a trust company. In 1932 and 1933 the company made good progress in increasing estates, trusts and agencies under administration. All mortgage loans are located in Ontario and earnings of the company have been well maintained.

**Officers**—J. Gill Gardner, pres.; Adam Fullerton, vice-pres.; L. C. Dargavel, man. dir.; E. J. Smith, sec.-treas.

**Directors**—J. Gill Gardner, Adam Fullerton, F. H. Fulford, A. G. Parish, L. C. Dargavel, George T. Fulford, Hon. George P. Graham, F. I. Ritchie, J. M. Dobbie, Hon. H. A. Stewart, Hon. A. C. Hardy, Brockville, Ont.

Earnings Record

| Year | Paid-up Capital $ | Net Profits* $ | Div. Rate $ | Rate Earn.† $ |
|---|---|---|---|---|
| 1929 ...... | 500,000 | 44,096 | 3.50 | 4.41 |
| 1930 ...... | 500,000 | 48,015 | 3.50 | 4.80 |
| 1931 ...... | 500,000 | 44,778 | 3.50 | 4.48 |
| 1932 ...... | 500,000 | 42,611 | 3.50 | 4.26 |
| 1933 ...... | 500,000 | 37,734 | 2.50 | 3.77 |

*After deducting interest, expenses, charges and government and business taxes. †On paid-up capital. Par $50.

| Year | Guar. Account $ | Estates under Adminis. $ | Total Reserves $ |
|---|---|---|---|
| 1929 ...... | 677,735 | 1,252 | 225,000 |
| 1930 ...... | 754,707 | 80,988 | 235,000 |
| 1931 ...... | 790,679 | 98,601 | 235,000 |
| 1932 ...... | 720,001 | 339,413 | 235,000 |
| 1933 ...... | 705,818 | 404,728 | 200,000 |

## British Canadian Trust

British Canadian Trust Co., Lethbridge, commended business in 1910. The company handles trust funds for investment and has shown increase in the amount of estates under administration. British Canadian Finance Ltd. is a subsidiary.

Lethbridge

**Officers and Directors**—G. Lomas, pres.; R. R. Davidson, vice-pres.; H. D. Rood, mgr. and sec.; F. Horne, G. H. Roy, R. B. C. Thomson, J. S. Kirkham.

Earnings Record

| Year | Paid-up Capital $ | *Net Profits* $ | Div. Rate $ | Rate Earn. per sh.† $ |
|---|---|---|---|---|
| 1929 .... | 82,882 | 10,495 | 9 | 14.5 |
| 1930 .... | 119,392 | 10,878 | 9 | 12.7 |
| 1931 .... | 130,392 | 6,006 | 6 | 4.6 |
| 1932 .... | 133,361 | 8,405 | 6 | 4.5 |
| 1933 .... | 133,457 | 7,237 | 3 | 5.4 |

* Income tax deducted.
† On average capital.

| Year | Total Assets $ | Estates under Adminis. $ | Total Reserves $ |
|---|---|---|---|
| 1929 ...... | 756,316 | 450,328 | 16,791 |
| 1930 ...... | 929,725 | 599,101 | 20,553 |
| 1931 ...... | 975,862 | 680,029 | 20,800 |
| 1932 ...... | 1,009,395 | *754,576 | ...... |
| 1933 ...... | 1,102,036 | 811,231 | ...... |

* Total estates trust and agency account.

## British Mortgage & Trust

British Mortgage & Trust Corp., Stratford, Ont., was incorporated in Ontario in 1877. The company has total assets of $2,537,357 and does a substantial business in its guaranteed trust account. Mortgage loans are made only on properties in southwestern Ontario. Rights were offered to shareholders in 1928 and again in 1929, while in 1931 a stock dividend of 25 per cent was paid.

**Officers**—Hon. N. Monteith, pres.; J. W. Brown, vice-pres.; W. H. Gregory, man. dir.; W. P. Bradshaw, asst. mgr.

**Directors**—Hon. N. Monteith, J. W. Brown, T. Ballantyne, L. M. Johnston, D. A. Dempsey, W. H. Gregory, Dr. H. W. Baker.

Earnings Record

| Year | Paid-up Capital $ | Net Profits $ | Div. Rate $ | Earned Earn. per sh. $ |
|---|---|---|---|---|
| 1928 ... | † 700,000 | 121,529 | 12+2 | 17.36 |
| 1929 ... | 700,000 | 145,975 | 12+2 | 20.85 |
| 1930 ... | † 782,700 | 149,668 | 12+2 | 19.13 |
| 1931 ... | †1,000,000 | 138,356 | *12 | 13.83 |
| 1932 ... | 1,000,000 | 126,052 | 12 | 12.60 |
| 1933 ... | 1,000,000 | 103,929 | 10 | 15.39 |

* Stock dividend of 25 per cent paid April 15, 1931.
† Capital increased during year.

| Year | Guar. Account $ | Estates under Adminis. $ | Total Reserves $ |
|---|---|---|---|
| 1928 ...... | 4,705,989 | 263,752 | 800,000 |
| 1929 ...... | 5,111,782 | 289,378 | 830,000 |
| 1930 ...... | 5,058,606 | 378,577 | 1,000,000 |
| 1931 ...... | 5,176,785 | 566,439 | 825,000 |
| 1932 ...... | 5,055,808 | 593,306 | 825,000 |
| 1933 ...... | 4,846,730 | 642,308 | *825,000 |

* Includes special investment reserves, $125,000 transferred from general reserve in 1933.

## Canada Permanent Trust

Canada Permanent Trust Co., Toronto, is controlled by Canada Permanent Mortgage Corp., and was incorporated in 1913. Assets now total $35,274,754, having shown an annual increase since the company was formed. Chief revenues are derived from management of trust estates and agencies under administration.

**Officers**—W. G. Gooderham, pres.; G. H. Smith, 1st vice-pres. and gen. mgr.; Col. A. E. Gooderham, 2nd vice-pres.; W. F. Watkins, sec.; R. Henderson, inspector of branches.

**Directors**—W. G. Gooderham, G. H. Smith, Col. A. E. Gooderham, F. G. Osler, J. A. Rowland, F. S. Corrigan, W. Stone, Toronto; G. W. Allan, Winnipeg; A. B. Campbell, Edinburgh; N. Mackenzie, Regina.

**Branch Offices**—Toronto, Winnipeg, Vancouver, Halifax, Saint John, N.B., Edmonton, Woodstock, Ont., Brantford, Ont., Regina, Sask.

Earnings Record

| Year | Paid-up Capital $ | Net Profits $ | Div. Rate $ | Rate Earned per sh. $ |
|---|---|---|---|---|
| 1929 .... | 1,000,000 | 104,244 | 6 | 10.42 |
| 1930 .... | 1,000,000 | 92,037 | 6 | 9.20 |
| 1931 .... | 1,000,000 | 75,012 | 6 | 7.50 |
| 1932 .... | 1,000,000 | 70,790 | 6 | 7.08 |
| 1933 .... | 1,000,000 | 72,929 | 6 | 7.29 |

| Year | Guar. Account $ | Estates under Adminis. $ | Total Reserves $ |
|---|---|---|---|
| 1929 ...... | 1,101,816 | 20,475,666 | 350,000 |
| 1930 ...... | 1,116,153 | 22,916,366 | 400,000 |
| 1931 ...... | 1,314,108 | 27,207,346 | 400,000 |
| 1932 ...... | 1,334,002 | 29,164,755 | 400,000 |
| 1933 ...... | 1,384,079 | 32,396,431 | 400,000 |

## Capital Trust Corp.

Capital Trust Corp., Ottawa, has been in operation since 1912 and now has total assets of $17,495,467. Mortgage investments of the company are principally in Ontario, although some mortgages are held on property in Western Canada and in Quebec. Deposits and guarantee account were well maintained in 1933 and estates under administration showed increase. General reserve was increased by $10,000 in 1933 while continued reserve was $90,284.

**Officers**—Hon. M. J. O'Brien, hon. pres.; J. J. Lyons, pres.; A. E. Provost, Hon. E. W. Tobin, J. J. Seitz, vice-pres.; E. T. B. Pennefather, gen. mgr.; E. L. Parent, asst. gen. mgr.; J. J. Lyons, sec.

**Directors**—J. J. McFadden, W. J. Hussey, J. G. Carroll, W. H. McAuliffe, Col. D. R. Street, J. B. Duford, J. A. O'Brien, A. J. Major, P. Shea, J. Gleeson, M. A. Mahoney, T. D'Arcy McGee, J. Keenan, Hon. J. J. Donnelly, Col. L. T. Martin, E. T. B. Pennefather, M. W. Hackett, T. O'Connell, J. P. Rougvie, C. H. Labarge.

**Branch Offices**—Toronto, Montreal.

Earnings Record

| Year | Paid-up Capital $ | Net Profits* $ | Div. Rate $ | Rate Earn.† $ |
|---|---|---|---|---|
| 1929 ...... | 703,056 | 54,838 | 5 | 8.20 |
| 1930 ...... | 731,182 | 57,585 | 5 | 8.00 |
| 1931 ...... | 871,835 | 69,253 | 5 | 8.50 |
| 1932 ...... | 879,241 | 47,076 | 5 | 5.37 |
| 1933 ...... | 881,598 | 49,149 | 4 | 5.57 |

†On average capital.
*After deducting management expenses and taxes, but before deducting amount for accrued taxes and amount written off equipment, etc.

| Year | Guar. Account $ | Estates under Adminis. $ | Total Reserves $ |
|---|---|---|---|
| 1929 ...... | 4,711,058 | 8,470,828 | 120,000 |
| 1930 ...... | 5,146,249 | 9,138,215 | 135,000 |
| 1931 ...... | 5,524,615 | 9,527,228 | 155,000 |
| 1932 ...... | 5,510,230 | 10,616,502 | 68,000 |
| 1933 ...... | 5,434,715 | 10,942,139 | 78,000 |

## Canada Trust Co.

Canada Trust Co., London, Ont., received a Dominion charter in 1894. It is a wholly-owned subsidiary of Huron & Mortgage Corp. and performs all the functions of a trust company.

**Officers** — T. G. Meredith, pres.; H. E. Gates, vice-pres.; M. Aylsworth, gen. mgr.; D. McEachern, sec.; C. J. Clarke, treas.; H. W. Givins, supt. of Western branches; R. P. Baker, invest. exec.; R. H. Cronyn, asst. sec.

**Directors** — T. G. Meredith, ch.; V. P. Cronyn, H. E. Gates, M. Aylsworth, G. H. Belton, N. R. Howden, Col. I. Leonard, Lieut.-Col. C. Brown, A. R. Cairncross, T. W. McFarland, Major A. C. Spencer, London, Ont.; A. R. Bartlet, Windsor; J. B. Davidson, St. Thomas; C. H. Houson, Chatham; W. H. Gardner, Winnipeg.

**Branch Offices**—London, Ont. (4); Toronto, Hamilton, St. Thomas, Chatham, Windsor, Regina, Winnipeg, Edmonton, Victoria and Vancouver.

Earnings Record

| Year | Paid-up Capital $ | Net Profits* $ | Div. Rate $ | Rate Earned per sh. $ |
|---|---|---|---|---|
| 1929 .... | 1,000,000 | 130,887 | 10 | 13.09 |
| 1930 .... | 1,000,000 | 132,081 | 10 | 13.21 |
| 1931 .... | 1,000,000 | 108,078 | 10 | 10.81 |
| 1932 .... | 1,000,000 | 100,830 | 10 | 10.08 |
| 1933 .... | 1,000,000 | 100,206 | 10 | 10.02 |

*After defraying expenses of management and other charges, taxes, and making provision for actual losses.

| Year | Guar. Account $ | Estates Under Adminis. $ | Total Reserves $ |
|---|---|---|---|
| 1929 ... | 6,510,895 | 20,657,189 | 850,000 |
| 1930 ... | 7,112,193 | 18,901,769 | 850,000 |
| 1931 ... | 6,707,288 | 21,680,822 | 850,000 |
| 1932 ... | 6,196,139 | 21,989,804 | 850,000 |
| 1933 ... | 6,535,077 | 23,335,787 | 850,000 |

## Chartered Trust & Executor Co.

Chartered Trust & Executor Co., Toronto, was originally incorporated under Dominion charter in 1905. The company has total assets of $23,770,253 and during 1933 increased both deposits in guaranteed account and estates under administration. Practically all the company's mortgage investments are in urban property in and around Toronto. In 1932, the company reduced its reserve in order to write down securities to values below government requirements. Principal revenue of the company is from agency fees and commissions earned. No dividend was paid in 1933.

**Officers**—J. Y. Murdoch, pres.; W. S. Morden, vice-pres.; J. J. Gibson, vice-pres. and gen. mgr.; E. W. McNeill, sec.; F. McLaughlin, mgr. real estate dept.; F. W. Tolfield, Montreal branch mgr.

**Directors**—J. Y. Murdoch, W. S. Morden, J. J. Gibson, R. R. Corson, F. McLaughlin, Col. K. R. Marshall, E. W. Wright, N. C. Urquhart, A. L. Ellsworth, Toronto; J. A. Martin, Kitchener; Lt.-Col. D. H. MacLaren, Barrie; E. K. Reiner, Wellesley, Ont.; C. G. Greenshields, Montreal.

**Branch Office**—Montreal.

Earnings Record

| Year | Paid-up Capital $ | Net Profits* $ | Div. Rate $ | Rate† Earn. per sh. $ |
|---|---|---|---|---|
| 1928 .... | 908,820 | 73,167 | 6 | 8.06 |
| 1929 .... | 987,900 | 88,373 | 6 | 8.95 |
| 1930 .... | 1,000,000 | 78,211 | 6 | 7.82 |
| 1931 .... | 1,000,000 | 73,090 | 6 | 7.31 |
| 1932 .... | 1,000,000 | 57,543 | 5 | 5.75 |
| 1933 .... | 1,000,000 | 53,097 | .. | 5.30 |

* After deducting reserve for taxes and depreciation write-off.
† On paid-up capital.

| Year | Guar. Account $ | Estates under Adminis. $ | Total Reserves $ |
|---|---|---|---|
| 1928 ...... | 2,253,901 | 12,818,034 | 200,000 |
| 1929 ...... | 2,691,530 | 17,108,580 | 215,000 |
| 1930 ...... | 3,187,143 | 18,052,918 | 230,000 |
| 1931 ...... | 2,560,599 | 17,846,702 | 200,000 |
| 1932 ...... | 2,649,787 | 19,011,292 | 100,000 |
| 1933 ...... | 2,874,862 | 19,604,165 | 100,000 |

## Crown Trust Co.

Crown Trust Co., Montreal, has been in business for some 25 years and now has total assets of $24,855,155. Principal business of the company is in the administration of estates, trusts and agencies. Earnings of the company dropped sharply in 1931 but showed some improvement in 1932 and were maintained in 1933 when the 7 per cent dividend was earned.

**Directors**—W. I. Gear, pres.; A. Lyman, vice-pres.; J. Jenkins, vice-pres.; G. W. Birks, A. O. Dawson, H. B. Henwood, J. A. Mann, E. C. Pratt, I. P. Rexford, J. G. Ross, J. W. Ross, A. Wainwright, A. B. Wood, P. R. Walters.

**Officers**—I. P. Rexford, gen. mgr.; W. H. Jackson, asst. mgr.; Wm. F. Brass, mgr. real estate dept.; J. G. McKay, sec.; J. H. Hobbs, asst. sec.; A. S. K. Stitt, asst. sec.

Earnings Record

| Year | Paid-up Capital $ | Net Profits† $ | Div. Rate $ | Rate Earn. $ |
|---|---|---|---|---|
| 1928 .... | 1,000,000 | 110,391 | 7 | 11.03 |
| 1929 .... | 1,000,000 | 135,177 | 7 | 13.51 |
| 1930 .... | 1,000,000 | 110,815 | 7 | 11.08 |
| 1931 .... | 1,000,000 | 60,908 | 7 | 6.09 |
| 1932 .... | 1,000,000 | 71,264 | 7 | 7.13 |
| 1933 .... | 1,000,000 | 71,672 | 7 | 7.17 |

† Taxes deducted.

| Year | Guar. Account $ | Estates under Adminis. $ | Total Reserves $ |
|---|---|---|---|
| 1928 ...... | 2,446,032 | 18,341,560 | 300,000 |
| 1929 ...... | 1,809,936 | 23,247,185 | 400,000 |
| 1930 ...... | 1,499,030 | 25,186,657 | 400,000 |
| 1931 ...... | 470,105 | 21,420,171 | 400,000 |
| 1932 ...... | 381,130 | 21,926,012 | 400,000 |
| 1933 ...... | 400,630 | 22,254,281 | 400,000 |

## Central Trust

Central Trust Co. of Canada, Moncton, N.B., was incorporated in 1920, and operates branch offices in Saint John and Woodstock, N.B.

**Officers**—Dr. R. C. Tait, pres.; H. M. Wood, vice-pres.; Hon. F. Magee, vice-pres.; J. F. H. Teed, vice-pres.; E. H. Ritcey, asst. sc. and mgr.; Hon. E. A. Rilly, sc.-treas.

**Branch Offices**—Saint John, N.B.; Woodstock, N.B.

Earnings Record

| Year | Paid-up Capital $ | Undivided Profits $ | Div. Rate % |
|---|---|---|---|
| 1928 ...... | 100,200 | 32,917 | 5 |
| 1929 ...... | 100,200 | ...... | 6 |
| 1930 ...... | 100,200 | 40,362 | 6 |
| 1931 ...... | 100,200 | 45,999 | 6 |
| 1932 ...... | 100,200 | 49,239 | 6 |
| 1933 ...... | 100,200 | 27,843 | 6 |

## Community Trusts Corp.

Community Trust Corp., Chatham is a comparatively new company incorporated in Ontario in April, 1928. The company had total assets of $578,886 at the end of 1932 and had shown some progress in acquiring business each year. As yet no substantial reserve has been built up.

**Officers**—P. S. Coate, pres. and man. dir.; S. Stone, vice-pres.; J. A. McCallum, sec.-treas.

**Directors**—P. S. Coate, A. Park, S. M. Glenn, C. Austin, W. E. Rispin, W. G. Richards, Spencer Stone.

Earnings Record

| Year | Paid-up Capital $ | Net Profits $ | Div. Rate $ | Rate Earn. $ |
|---|---|---|---|---|
| 1929 .... | 117,650 | 8,139 | 3.50 | 3.50 |
| 1930 .... | 117,650 | 8,500 | 2.50 | 3.63 |
| 1931 .... | 118,150 | 7,347 | 2.50 | 3.10 |
| 1932 .... | 118,150 | 7,803 | 2.50 | 3.30 |
| 1933 .... | 118,650 | 7,207 | 2.50 | 3.05 |

## Eastern Trust Co.

Eastern Trust Co., Halifax, N.S., commenced business in 1893 with a Dominion charter and at the end of 1932 had total assets of $49,278,792. In 1932, the company showed an increase in deposit liabilities as well as in estates under administration. The company has a strong board of directors and earnings have been well maintained. Mortgages held by the company are all on properties in Quebec and the Maritime Provinces.

**Officers**—Hon. W. A. Black, chm. of board; Hon. F. B. McCurdy, pres.; O. E. Smith, T. F. Tobin and J. B. Douglas, vice-pres.; F. H. M. Jones, gen. mgr.

**Directors**—Hon. W. A. Black, Hon. F. B. McCurdy, O. E. Smith, T. F. Tobin, H. R. Cockfield, J. Bassett, Hon. R. G. Beazley, A. J. Campbell, A. L. Chipman, A. K. Cameron, H. C. Flood, G. Henderson, H. J. Hague, J. C. MacKeen, J. MacNeil, Hon. C. W. Robinson, J. McG. Stewart, F. P. Starr, C. W. Stairs, D. C. Sinclair, H. R. Silver, Hon. J. C. Tory, J. H. Winfield, Col. Hon. J. L. Ralston.

**Branch Offices** — Montreal, Saint John, Moncton, Charlottetown, St. John's, Nfld.

Earnings Record

| Year | Paid-up Capital $ | Net Profits* $ | Div. Rate $ | Rate Earn. $ |
|---|---|---|---|---|
| 1928 .... | 1,000,000 | 81,083 | 8 | 8.10 |
| 1929 .... | 1,000,000 | 111,554 | 8 | 11.15 |
| 1930 .... | 1,000,000 | 87,185 | 8 | 8.71 |
| 1931 .... | 1,000,000 | 84,393 | 8 | 8.43 |
| 1932 .... | 1,000,000 | 80,533 | 8 | 8.05 |

* Less tax reserve, directors' fees and amounts written off.

| Year | Guar. Account $ | Estates under Adminis. $ | Total Reserves $ |
|---|---|---|---|
| 1928 ...... | 3,529,867 | 44,882,247 | 100,000 |
| 1929 ...... | 2,777,847 | 44,592,998 | 200,000 |
| 1930 ...... | 2,975,599 | 43,195,478 | 200,000 |
| 1931 ...... | 2,852,338 | 44,196,365 | 200,000 |
| 1932 ...... | 3,124,338 | 44,888,037 | 200,000 |

## Equitable Trust Co.

Equitable Trust Co., Winnipeg, was incorporated in 1912 and had total assets of $1,880,389 as at April 30, 1933. Earnings have not been reported for the last three fiscal years.

Assets and liabilities of Capital Loan & Mortgage Corp. were taken over by the Equitable Trust Co. as at January 1, 1932.

**Officers and Directors**—W. L. Parrish, pres.; H. W. Bell, vice-pres.; J. A. Forlong, vice-pres.; F. W. Leistikow, vice-pres.; E. C. McMurray, man. dir. and sec.-treas.; N. Heimbecker, W. A. Irish.

Earnings Record

| Year | Paid-up Capital $ | Net Profits* $ | Div. Rate % | Rate Earned % |
|---|---|---|---|---|
| 1929 ...... | 555,100 | 19,915 | 3 | 3.5 |
| 1930 ...... | 555,600 | 5,431 | 2 | 0.9 |

| Year | Total Assets $ | Reserve Funds $ | Mortgages and Agreements $ |
|---|---|---|---|
| 1929 ...... | 901,252 | 50,000 | 295,044 |
| 1930 ...... | 816,069 | 50,000 | 247,513 |
| 1932† ...... | 1,878,344 | 400,000 | 800,668 |
| 1933† ...... | 1,880,389 | 400,000 | 791,644 |

*Less income tax. †As at April 30.

## Fidelity Trusts Co.

WINNIPEG

Fidelity Trust Co. of Ontario has head office at Niagara Falls, Ont. Assets now total $688,006. The company made good progress in building up a deposit business from 1928 to 1932. Earnings have necessarily been small but investment reserve has been increased.

**Officers**—F. H. Leslie, pres.; L. Blake Duff, vice-pres.; J. W. Butters, man. dir.

**Directors**—F. H. Leslie, J. W. Butters, L. B. Duff, A. B. Damude, Dr. G. B. Snyder, F. J. Bearss, R. Gay, C. T. Houck.

| Year | Guar. Account $ | Estates under Adminis. $ | Total Reserves $ |
|---|---|---|---|
| 1929 ...... | 42,853 | 304,247 | ..... |
| 1930 ...... | 67,642 | 273,122 | ..... |
| 1931 ...... | 137,969 | 264,545 | 38,129 |
| 1932 ...... | 168,341 | 316,638 | 37,797 |
| 1933 ...... | 144,892 | 310,067 | 45,000 |

## Fidelity Trust Co.

NIAGARA FALLS

Fidelity Trust Co., Winnipeg, has shown losses in recent years. Liabilities to the public are comparatively small.

**Officers**—C. M. Simpson, pres. and man. dir.; W. L. Parrish, vice-pres.; R. W. Rutherford, sec.-treas.

**Directors**—W. F. Hull, W. L. Parrish, C. M. Simpson, J. Douglass, J. H. G. Russell, G. A. Davidson, O. C. Feetham, all of Winnipeg; A. J. Keith, T. B. Keith, R. F. Werner, M.D., Eau Claire, Wis.

| Year | Total Assets $ | Reserve Funds $ | Liab. to Public $ |
|---|---|---|---|
| 1928 ...... | 509,628 | 50,000 | 7,293 |
| 1929 ...... | 513,390 | 50,000 | 5,534 |
| 1930 ...... | 519,951 | 50,000 | 14,801 |
| 1931 ...... | 503,858 | 43,446 | 5,000 |
| 1932 ...... | 499,323 | 39,479 | 5,287 |

Latest figures available.

## Guaranty Trust Co.

Guaranty Trust Co. of Canada, Windsor, Ont., received a Dominion charter in 1925 and was registered as a trust company in Ontario in 1926. In 1932, the company showed a substantial increase in estates under administration and a smaller increase in 1933. Sale of guaranteed investment receipts is also higher.

**Officers**—A. F. Healy, pres.; C. W. McDiarmid, vice-pres. and gen. mgr.; T. Chick and E. B. Winter, vice-pres.; J. W. Berry, sec-treas.

**Directors**—T. Chick, A. F. Fuerth, W. N. Gatfield, A. F. Healy, F. H. Hough, F. H. Joyce, E. C. Kenning, R. Maisey, C. W. McDiarmid, E. B. Winter, T. W. Whiteside, W. D. Roach, W. J. Hume, J. W. Berry, C. W. Isaacs.

Earnings Record

| Year | Paid-up Capital $ | Net Profits* $ | Div. Rate $ | Rate Earned per sh. $ |
|---|---|---|---|---|
| 1929 ...... | 102,732 | 12,059 | 5 | 11.73 |
| 1930 ...... | 102,732 | 16,975 | 7 | 16.50 |
| 1931 ...... | 102,857 | 13,960 | 7 | 13.57 |
| 1932 ...... | 102,854 | 15,698 | 7 | 15.26 |
| 1933 ...... | 125,409 | 14,378 | 7 | 11.49 |

*After deducting provisions for taxes.

| Year | Guar. Account $ | *Estates under Adminis. $ | Total Reserves $ |
|---|---|---|---|
| 1929 ...... | 153,404 | 561,879 | 30,000 |
| 1930 ...... | 171,119 | 687,826 | 35,000 |
| 1931 ...... | 213,314 | 844,540 | 40,000 |
| 1932 ...... | 255,216 | 2,910,386 | 45,000 |
| 1933 ...... | 268,456 | 3,115,406 | 50,000 |

## Guelph Trust Co.

Guelph Trust Co., Guelph, Ont., was established in 1917 as a subsidiary of Guelph & Ontario Investment & Savings Society. Assets now total $2,353,385 and earnings show considerable stability.

**Officers**—W. E. Phin, pres.; G. D. Forbes, 1st vice-pres.; J. R. Howitt, 2nd vice-pres.; J. M. Purcell, man. dir.

**Directors**—W. E. Phin, G. D. Forbes, J. R. Howitt, J. R. Phin, J. J. Shaw, J. M. Purcell, R. L. Torrance, J. Armstrong.

Earnings Record

| Year | Paid-up Capital $ | Net Profits* $ | Div. Rate $ | Rate Earned $ |
|---|---|---|---|---|
| 1929 .... | 299,000 | 31,375 | 2.50 | 5.24 |
| 1930 .... | 301,000 | 31,924 | 2.50 | 5.30 |
| 1931 .... | 301,000 | 30,264 | 2.50 | 5.02 |
| 1932 .... | 301,000 | 31,496 | 2.50 | 5.23 |
| 1933 .... | 301,000 | 29,830 | 2.50 | 4.95 |

*Less taxes.

| Year | Guar. Account $ | Estates Under Adminis. $ | Total Reserves $ |
|---|---|---|---|
| 1929 ..... | 481,216 | 1,848,465 | 110,650 |
| 1930 ..... | 480,312 | 1,445,491 | 120,850 |
| 1931 ..... | 509,576 | 1,277,226 | 130,850 |
| 1932 ..... | 514,739 | 1,278,707 | 140,850 |
| 1933 ..... | 518,240 | 1,340,742 | 150,850 |

## General Trust & Executor

General Trust & Executor Co., Halifax, received a Nova Scotia charter in 1929 and commenced business in that year. The company has shown good growth in its four years of operation.

Halifax

**Officers and Directors**—H. W. Phinney, pres.; E. L. MacDonald and J. McConnell, vice-presidents; J. R. Machum, mgr. and sec.; G. McL. Daley, F. R. Davis, G. B. Isnor, R. J. MacAdam, F. H. Manning, C. S. Morton, W. D. Piercey, W. R. Powell, C. L. Sanderson, L. E. Shaw, H. Oxley.

Earnings Record

| Year Feb. 28: | Paid-up Capital $ | †Net Profits $ | Div. Rate % | Rate Earned % |
|---|---|---|---|---|
| 1930 ...... | 110,840 | *1,878 | .. | 1.6 |
| 1931 ...... | 173,899 | 3,458 | .. | 1.9 |
| 1932 ...... | 220,470 | 9,810 | .. | 4.4 |
| 1933 ...... | 229,829 | 10,038 | .. | 4.3 |

*For seven months.
†After deducting taxes.

| Year | Guar. Account $ | Estates under Adminis. $ | Total Surplus $ |
|---|---|---|---|
| 1930 ...... | 4,637 | 21,894 | 1,878 |
| 1931 ...... | 55,369 | 74,656 | 2,557 |
| 1932 ...... | 124,836 | 295,253 | 9,916 |
| 1933 ...... | 153,368 | 409,319 | 19,517 |

## General Trust of Canada

General Trust of Canada is affiliated with the Banque Canadienne Nationale and has total assets of $35,867,712. Previous to 1927, the company did business under the name of Credit General du Canada.

**Officers**—Hon. J. M. Wilson, pres.; Hon. D. O. L'Esperance and Beaudry Leman, vice-pres.; Rene Morin, gen. mgr. and sec.; L. Trottier, treas.

**Directors**—Hon. J. M. Wilson, Hon. D. O. L'Esperance, Beaudry Leman, L. J. Adjutor Amyot, J. Beaubien, L. E. Beaulieu, A. Terroux, A. N. Drolet, Sir J. G. Garneau, E. Guimont, Mendoza Langlois, Hon. J. Nicol, Hon. J. E. Perrault, Hon. Donat Raymond, L. G. Ryan, Hon. G. A. Simard, C. E. Taschereau, C. Laurendeau.

Earnings Record

| Year | Paid-up Capital $ | Net Profits $ | Div. *Rate $ | Rate Earned $ |
|---|---|---|---|---|
| 1929 ...... | 1,105,000 | 88,474 | 3.75 | 8.00 |
| 1930 ...... | 1,105,000 | 91,587 | 5.50 | 8.32 |
| 1931 ...... | 1,105,000 | 99,675 | 6.00 | 9.06 |
| 1932 ...... | 1,105,000 | 85,574 | 6.00 | 7.78 |
| 1933 ...... | 1,105,000 | 87,607 | 6.00 | 7.97 |

Capital stock consists of $1,100,000 and $5,000 common.
*On preferred.

| Year | Guar. Account $ | Estates under Adminis. $ | Total Surplus $ |
|---|---|---|---|
| 1929 ...... | 1,387,131 | 6,896,031 | 77,199 |
| 1930 ...... | 3,117,047 | 20,018,927 | 108,287 |
| 1931 ...... | 1,514,650 | 24,883,078 | 141,962 |
| 1932 ...... | 1,312,475 | 29,224,203 | 161,537 |
| 1933 ...... | 1,157,825 | 33,289,873 | 183,144 |

## Grey & Bruce Trust

Grey & Bruce Trust and Savings Co., Owen Sound, Ont., was originally incorporated in 1887. The present name was taken in 1926 following amalgamation of the Grey & Bruce Loan Co. and the Owen Sound Loan & Savings Co. Assets of the company total $2,523,475. In recent years the company has concentrated on obtaining business as a trustee with some success. In 1933 the company developed sale of a monthly payment investment certificate. Liquid position was strengthened in 1933 with an increase in ratio of liquid securities to deposit to 82.5 per cent from 57.1 per cent in 1932.

**Officers**—C. A. Fleming, pres.; W. S. Middlebro, vice-pres. and chm. of board; James Gardner, 2nd vice-pres.; O. E. Manning, gen. mgr.; W. M. Telford, sec.-treas.

**Directors**—C. A. Fleming, W. S. Middlebro, Dr. A. L. Danard, G. D. Fleming, James Gardner, Dr. G. H. Holmes, G. S. Kilbourn, George J. Mills, G. D. McLauchlan, W. H. Taylor, O. E. Manning and L. D. Merriam.

Earnings Record

| Year | Paid up Capital $ | Net Profits* $ | Div. Rate % | Rate Earn. % |
|---|---|---|---|---|
| 1929 .... | 544,700 | 35,996 | 6 | 6.61 |
| 1930 .... | 544,700 | 40,850 | 6 | 7.50 |
| 1931 .... | 544,700 | 38,585 | 6 | 7.09 |
| 1932 .... | 544,700 | 25,832 | 4 | 4.75 |
| 1933 .... | 544,700 | 22,286 | 4 | 4.09 |

* After deducting reserve for depreciation, taxes and reserve for overdue interest on mortgages.

| Year | Guar. Account $ | Estates under Adminis. $ | General Reserve $ |
|---|---|---|---|
| 1929 ...... | 1,057,960 | 189,638 | 70,000 |
| 1930 ...... | 1,102,123 | 305,220 | 75,000 |
| 1931 ...... | 1,181,525 | 331,270 | 75,000 |
| 1932 ...... | 1,112,385 | 506,340 | 75,000 |
| 1933 ...... | 1,190,805 | 649,217 | 75,000 |

## Industrial Mtge. & Trust

Industrial Mortgage & Trust Co., Sarnia, Ont., was originally incorporated as a building society in 1887 and secured trust company powers but a few years ago. Assets total $4,365,612.

In 1933 the company acquired the assets and business of East Lambton Farmers' Loan & Savings Co. and now maintains a branch at Forest, Ont.

**Officers**—J. Cowan, pres.; M. McGugan, 1st vice-pres.; J. McFarlane, 2nd vice-pres.; W. R. Paul, man. dir.; B. Charlton, ast. mgr.

**Directors**—J. Cowan, M. McGugan, J. McFarlane, J. H. Anderson, W. J. Skinner, W. R. Paul, J. P. MacVicar, A. R. McKay, H. Lockhart.

Earnings Record

| Year | Paid-up Capital $ | Net Profits $ | Div. Rate $ | Rate Earned per sh. $ |
|---|---|---|---|---|
| 1929 .... | 635,000 | 80,001 | 4.50+1 | 6.29 |
| 1930 .... | 635,000 | 69,901 | 4.50+1 | 5.50 |
| 1931 .... | 635,000 | 58,271 | 4.50 | 4.58 |
| 1932 .... | 635,000 | 50,461 | 4.00 | 3.97 |
| 1933 .... | 635,000 | 15,658 | 2.50 | 1.23 |

| Year | Guar. Account $ | Estates Under Adminis. $ | Total Reserves $ |
|---|---|---|---|
| 1929 .... | 2,756,682 | 261,177 | 574,000 |
| 1930 .... | 2,809,189 | 356,540 | 580,000 |
| 1931 .... | 2,703,336 | 389,764 | 580,000 |
| 1932 .... | 2,675,129 | 364,200 | 500,000 |
| 1933 .... | 2,749,399 | 385,597 | 430,000 |

## London & Western Trusts Co.

London & Western Trusts Co. was organized in 1896, but became a nation-wide institution only in 1929 with the acquisition of Standard Trust Co. Assets of the company now total $40,161,126, largely consisting of estates, trusts and agencies under administration. Early in 1933, offices of the company in Calgary and Saskatoon were closed. The company still maintains offices in Vancouver, Winnipeg, Toronto and London, Ont.

Earnings in 1932 showed a substantial drop and the dividend rate was reduced. Reserves were reduced to provide for depreciation in investments. Mortgage investments are largely secured by properites in Ontario.

**Officers**—Ronald Harris chm. of board; Rt. Hon. Arthur Meighen, pres.; Ray Lawson and G. C. Gunn, vice-pres's.; John S. Moore, gen. mgr.

**Directors**—Ronald Harris, Rt. Hon. Arthur Meighen, Ray Lawson, G. C. Gunn, John S. Moore, G. H. Aikins, G. Montegu Black, R. T. Evans, Winnipeg; Brig.-Gen. J. A. Clark, Gordon Farrell, H. R. MacMillan, Major-Gen. J. W. Stewart, Vancouver; W. L. Duffield, Major G. Ingram, Judge Talbot Macbeth, A. McPherson, J. McClary Moore, J. E. Smallman, London, Ont.; W. R. Fess, Toronto; George Mair, Windsor, Ont.

Earnings Record

| Year | Paid-up Capital $ | Net Profits* $ | Div. Rate $ | Rate Earned per sh.† $ |
|---|---|---|---|---|
| 1929 ..... | 999,475 | 102,033 | 9 | 13.4 |
| 1930 ..... | 1,174,210 | 81,206 | 9 | 7.0 |
| 1931 ..... | 1,181,020 | 108,372 | 8½ | 9.2 |
| 1932 ..... | 1,214,225 | 49,143 | 6½ | 4.4 |
| 1933 ..... | 1,214,225 | 19,332 | . | ‡1.5 |

†On average capital. ‡On paid-up capital.
*After deducting expenses of management, taxes, etc. Also income tax reserve amounting to $4,600 in 1933; $9,500 in 1932; $13,200 in 1931; $10,759 in 1930 and $8,800 in 1929.

| Year | Guar. Account $ | Estates under Adminis. $ | Total Reserves $ |
|---|---|---|---|
| 1929 ...... | ....... | 34,669,758 | 949,475 |
| 1930 ...... | 1,008,900 | 39,049,618 | 849,210 |
| 1931 ...... | 2,747,867 | 38,771,378 | 856,020 |
| 1932 ...... | 2,767,649 | 39,344,128 | 400,015 |
| 1933 ...... | 2,436,462 | 35,693,182 | 400,015 |

## Guardian Trust

**Officers**—R. Stanger, pres. and mgr.; S. Stanger, vice-pres. and sec.; F. A. Pinck, treas.

| Year | Paid-up Capital $ | Estates under Adminis. $ | Total Assets $ |
|---|---|---|---|
| 1931 ........ | 123,900 | 4,261,770 | 4,450,693 |
| 1932 ........ | 123,900 | 4,648,106 | 4,828,107 |
| 1933 ........ | 123,900 | 4,810,074 | ........ |

## Imperial Tobacco Co. Directors Are Re-elected

From Our Own Correspondent

MONTREAL.—The annual general meeting of shareholders of the Imperial Tobacco Co. of Canada, was routine in character. Retiring directors were re-elected and the annual report was adopted.

Leave Your Estate in *Safe* Hands

Hon. J. M. Wilson, *President*

Hon. D. O. L'Espérance, *Vice-President*

Beaudry Leman *Vice-President*

René Morin *General Director*

Paid-up Capital $1,105,000

Total assets under administration $35,867,712

The value of what a man bequeaths to his family depends to a large extent on *how* he leaves it.

If you know that your wife is inexperienced in business matters, could you in all fairness thrust upon her the burden of managing your estate?

That responsibility is yours today. For the future you can delegate it to this Company through a clause in your will.

This company is particularly able, through its facilities and long experience, to undertake the preservation of the property, insurance and other funds which you may leave, and to safeguard the interests of your family.

How can this be arranged? Quite simply, by making your will and appointing executor

General Trust of Canada
*Complete Trust Service*
MONTREAL 112 St. James St. West
QUEBEC 71 St. Peter Street

The Waterloo Trust & Savings Company

*Capital and Reserves $ 1,400,000*
*Assets - - 13,000,000*

DIRECTORS

E. F. SEAGRAM, President
President Merchants Casualty Insurance Company
Vice-President The Dominion Life Assurance Company

FORD S. KUMPF, Vice-President
President, The Dominion Life Assurance Company

LOUIS L. LANG, Vice-President
President, Lang Tanning Company Limited
Vice-President, The Mutual Life Assurance Company of Canada

R. O. McCULLOCH
President, The Mutual Life Assurance Company of Canada
Director, Imperial Bank of Canada

THOS. W. SEAGRAM
Director, Merchants Casualty Insurance Company

HENRY KNELL
Director, Economical Mutual Fire Insurance Company

THOS. HILLIARD
Director, The Dominion Life Assurance Company

GEORGE A. DOBBIE
President, Stauffer Dobbie Company Limited
Vice-President, The Dominion Life Assurance Company

P. R. HILBORN
President, The Preston Furniture Company

H. J. SIMS, K.C.
Solicitor to The Mutual Life Assurance Company of Canada

GEORGE D. FORBES
President, C. Turnbull Company of Galt, Limited
Vice-President, The Dominion Life Assurance Company

P. V. WILSON
Director, Merchants Casualty Insurance Company

FRED HALSTEAD
Special Agent

W. L. HILLIARD, M.D.
Medical Director, Ontario Equitable Life Assurance Company

*Equipped to act in all trust capacities*

WATERLOO KITCHENER GALT PRESTON

HUDSON BAY
EDMONTON
CALGARY
VANCOUVER
VICTORIA
PACIFIC OCEAN
WINNIPEG
CANADA
QUEBEC
MONTREAL
OTTAWA
SAINT JOHN
HALIFAX
ST. JOHN'S Nfld
TORONTO
HAMILTON
ATLANTIC OCEAN

A Chain of Service from Sea to Sea

With branches located at convenient points throughout Canada, The Royal Trust Company offers a nation-wide service as Executor, Trustee and Investment Agent.

The extent of the Estate and Trust business administered by this Company is shown in the Table of Investments of the Trust Companies published elsewhere in this issue.

THE ROYAL TRUST COMPANY

Executors, Administrators, Trustees, Investment Agents, Transfer Agents, Trustees for Bondholders, Liquidators, Safe Custodians, etc.

105 ST. JAMES STREET, MONTREAL — 59 YONGE STREET, TORONTO

Branches:
CALGARY EDMONTON
HALIFAX HAMILTON OTTAWA
QUEBEC SAINT JOHN, N.B. ST. JOHN'S, NFLD.
TORONTO VANCOUVER VICTORIA
WINNIPEG LONDON, ENGLAND
HEAD OFFICE — MONTREAL

ASSETS UNDER ADMINISTRATION EXCEED $657,000,000

OPTIMISM LIGHTS THE WAY

True optimism does not mean turning one's face from the facts of life, but it does hold that a cheerful and courageous heart is one of the greatest blessings of life — and a boon to great accomplishments.

Every great leader of mankind has had that true optimism which is shown in self-confidence and in a genuine faith in his fellow men.

It is on such a foundation of faith and confidenee that the success of this "Company for the Public" is built.

It places at the disposal of responsible corporations, firms and individuals comprehensive facilities and trust services, and invites consultation on any matter connected with the services it renders.

The Central Trust Company of Canada
*Head Office:* MONCTON, N.B.
Saint John, N.B. Woodstock, N.B.

## TRUST COMPANIES

### Lambton Trust Co.

Lambton Trust Co., of Sarnia, Ont., started business in 1928 and now has total assets of $589,962. The company paid its first dividend in 1932. Business consists exclusively of the management of estates, trusts and agency funds.

**Officers**—N. S. Gurd, pres.; Col. R. Mackenzie, vice-pres.; J. M. Hunt, mgr.

**Directors**—N. S. Gurd, Col. R. Mackenzie, C. H. Belton, A. J. Johnston, all of Sarnia; A. G. Minielly Watford, R. M. E. McDiarmid, Alvinston; I. Greenizen, Petrolia.

Earnings Record

| Year | Paid-up Capital $ | Net Profits $ | Div. Rate % | Rate* Earned % |
|---|---|---|---|---|
| 1929 | 159,500 | 11,762 | ... | 3.70 |
| 1930 | 160,500 | 6,864 | ... | 2.08 |
| 1931 | 160,500 | 10,275 | ... | 3.21 |
| 1932 | 161,000 | 10,341 | 2.50 | 3.21 |
| 1933 | 161,000 | †7,720 | 2.00 | 2.40 |

*On paid-up capital.
†Less income tax, year 1932, $1,424.

| Year | Guar. Account $ | Estates under Adminis. $ | Total* Reserves $ |
|---|---|---|---|
| 1929 | 203,794 | 130,123 | 25,000 |
| 1930 | 211,658 | 140,929 | 50,000 |
| 1931 | 221,933 | 173,857 | 50,000 |
| 1932 | 224,725 | 173,896 | 50,000 |
| 1933 | 227,311 | 362,650 | 50,000 |

### Maritime Trust Co.

Maritime Trust Co., Saint John, N.B., also operates a branch office at Fredericton, N.B. The company has shown continued increase in total assets and in net profits and on March 1 an initial dividend of 3 per cent was declared on capital stock.

**Officers** — H. P. Robinson, pres.; F. C. Beatteay and P. G. Clark, vice-pres's.; H. C. Wilson, mgr. and treas.; W. R. Smith, sec.

**Directors**—W. C. Allison, F. G. Beatteay, J. B. Dever, C. F. Inches, J. MacMurray, J. D. McKenna, A. N. McLean, R. H. McLean, A. P. Paterson, H. P. Robinson, all of Saint John; Hon. F. B. Black, Hon. A. B. Copp, Sackville; W. W. Boyce, L. S. Morrison, J. A. Reid, J. J. F. Winslow, Fredericton; G. P. Burchill, South Nelson, N.B.; H. A. Carr, Campbellton, P. G. Clark, Summerside, P.E.I.; W. F. Fraser, New Glasgow, N.S.; Hon. G. B. Jones, Apohaqui, N.B.; E. W. Mair, Woodstock, N.B.; N. Marks Mills, St. Stephen, N.B.; H. O'Leary, Richibucto, N.B.; W. C. Pitfield, F. M. Ross, Montreal; R. K. Smith, Amherst, N.S.; F. R. Sumner, Moncton, N.B.

Earnings Record

| Year | Paid-up Capital $ | Net Profits $ | Div. Rate % | Rate Earned % |
|---|---|---|---|---|
| 1930 | 135,100 | 3,024 | .. | 2.2 |
| 1931 | 135,100 | 5,109 | .. | 3.8 |
| 1932 | 135,100 | 5,570 | .. | 4.1 |
| 1933 | 135,100 | 7,329 | .. | 5.4 |

| Year | Total Assets $ | Estates Under Adminis. $ | Total Reserve* $ |
|---|---|---|---|
| 1930 | 1,306,213 | 1,031,793 | 3,062 |
| 1931 | 2,870,893 | 2,589,220 | 9,957 |
| 1932 | 3,209,158 | 2,916,939 | 17,104 |
| 1933 | 3,222,464 | 2,901,975 | 25,844 |

*Reserve for depreciation and surplus.

### Montreal Trust Co.

Montreal Trust Co. is one of the largest of Canadian trust companies. While there is no corporate connection the interests in control are also interested in the Royal Bank of Canada. The company maintains branches across Canada and in London, Eng. Most of the company's revenue is derived from commissions on trust business.

**Officers**—Sir Herbert Holt, pres.; A. J. Brown, vice-pres.; F. G. Donaldson, gen. mgr.; W. S. Greene and J. P. Angus, asst. gen. mgrs.

**Directors**—Sir Herbert Holt, A. J. Brown, R. Adair, J. E. Aldred, G. Caverhill, W. H. Coverdale, Hon. R. Dandurand, F. G. Donaldson, G. H. Duggan, A. E. Dyment, G. W. MacDougall, C. H. Carlisle, A. D. MacTier, C. B. McNaught, J. S. Norris, Hugh Paton, F. W. Ross, J. C. Smith, Hon. Smeaton White, M. W. Wilson, P. F. Sise, W. F. Angus, A. P. Holt, J. C. Newman.

Executive Committee: Sir Herbert Holt, Hon. A. J. Brown, G. Caverhill, M. W. Wilson, G. H. Duggan, F. G. Donaldson.

**Branch Offices**—Halifax, Toronto, Winnipeg, Edmonton, Vancouver, London, Eng.

Earnings Record

| Year | Paid-up Capital $ | Net Profits* $ | Div. Rate % | Rate Earned % |
|---|---|---|---|---|
| 1929 | 2,000,000 | 523,220 | 14 | 26.1 |
| 1930 | 2,000,000 | 551,818 | 16 | 27.5 |
| 1931 | 2,000,000 | 554,723 | 17 | 27.7 |
| 1932 | 2,000,000 | 464,311 | 17 | 23.2 |
| 1933 | 2,000,000 | 354,653 | 16 | 17.7 |

*Tax reserve and subscription to hospital deducted.

| Year | Guar. Account $ | *Estates under Adminis. $ | Total Reserves $ |
|---|---|---|---|
| 1929 | 25,033,246 | 602,392,067 | 2,000,000 |
| 1930 | 35,553,336 | 729,119,575 | 2,500,000 |
| 1931 | 24,040,408 | 760,824,823 | 2,500,000 |
| 1932 | 18,940,882 | 798,633,588 | 2,500,000 |
| 1933 | 17,963,207 | 799,910,729 | 2,500,000 |

*Including agencies (safe custody).

### National Trust Co.

National Trust Co., Toronto, was incorporated in Ontario in 1898 and with total assets of $274,497,075 is one of the largest Canadian trust companies. From 1924 to 1931 assets of the company were doubled. The company has branches in many of the principal cities in Canada and in London, Eng. Shares of the company are listed on the Toronto Stock Exchange. As at June 30, 1933, the company took over the deposit business of Central Canada Loan & Savings Co. The latter company is now purely a holding and investment company and includes among its investments a substantial block of National Trust Co. shares.

**Officers**—Sir Joseph Flavelle, chm. of board; W. E. Rundle, pres.; E. R. Wood, Herbert C. Cox, Leighton McCarthy, Rt.-Hon. Sir Thomas White, vice-presidents; J. M. Macdonnell, gen. mgr.; J. C. Breckenridge, gen. supt.; F. R. MacKelcan, counsel Corporate Trust dept.; W. M. O'Connor, mgr. Toronto office; W. G. Davidson, sec.; C. Huckvale, treas.

**Directors** — Sir Joseph Flavelle, W. E. Rundle, E. R. Wood, Herbert C. Cox, E. M. Saunders, Sir John Aird, Rt.-Hon. Sir Thomas White, Miller Lash, Leighton McCarthy, J. A. McLeod, G. A. Morrow, A. N. Mitchell, E. G. Long, Frank P. O'Connor, all of Toronto; H. B. Walker, W. M. Birks, Carl Riordon, William Leggat, Walter Molson, Edward Fitzgerald, of Montreal; A. McT. Campbell, George W. Allan, W. H. McWilliams, James A. Richardson, of Winnipeg; H. J. Fuller, New York; H. E. Walker, Walkerville; George W. McLaughlin, Oshawa; W. G. Morrow, Peterborough; F. F. Dalley, T. C. Haslett, D'Arcy Martin, C. S. Wilcox, G. H. Levy, of Hamilton.

**Branch Offices**—Toronto, Montreal, Hamilton, Winnipeg, Saskatoon, Edmonton and London, Eng.

Earnings Record

| Year | Paid-up Capital $ | Net Profits* $ | Div. Rate % | Rate Earned % |
|---|---|---|---|---|
| 1929 | 3,000,000 | 542,482 | 12+1 | 18.08 |
| 1930 | 3,000,000 | 533,549 | 14 | 17.78 |
| 1931 | 3,000,000 | 449,892 | 14 | 15.00 |
| 1932 | 3,000,000 | 381,838 | 12½ | 12.72 |
| 1933 | 3,000,000 | 266,415 | 8½ | 8.88 |

*After deducting cost of management, directors' and auditors' fees, contingencies, etc., and provision for taxes.

| Year | Guar. Account $ | Estates under Adminis. $ | Total Reserves $ |
|---|---|---|---|
| 1929 | 17,702,278 | 219,835,364 | 3,000,000 |
| 1930 | 20,534,678 | 235,382,200 | 3,000,000 |
| 1931 | 21,244,168 | 237,979,850 | 3,000,000 |
| 1932 | 21,691,000 | 238,925,496 | 3,000,000 |
| 1933 | 24,408,764 | 243,701,383 | 3,000,000 |

### Osler & Nanton Trust Co.

Osler & Nanton Trust Co., Winnipeg, is controlled by Osler Hammond and Nanton Ltd. No earnings are available for this trust company. Assets totalled $4,822,464 at June 30, 1933.

| Year end. June 30 | Guar. Account $ | Estates under Adminis. $ | Total Reserves $ |
|---|---|---|---|
| 1930 | 5,192,858 | 4,152,317 | 152,473 |
| 1931 | 4,902,475 | 3,951,631 | 145,045 |
| 1932 | 4,675,011 | 3,727,693 | 138,093 |
| 1933 | 4,822,464 | 3,885,761 | 129,565 |

Paid-up capital stock of $650,000 is entirely controlled by Osler, Hammond & Nanton.

### Northern Trusts Co.

Northern Trusts Co., Winnipeg, is one of the older established Western companies, having been originally established in 1902, although the Dominion charter of the present company was obtained in 1923.

**Officers**—R. T. Riley, pres.; W. A. Murphy, vice-pres.; C. S. Riley, man. dir.; J. H. Riley, head office mgr.; M. J. Marshall, treas.; W. Milton, sec.; H. C. M. Brown, Regina branch mgr.; J. S. McMurchy, Calgary branch mgr.

**Directors**—R. T. Riley, D. K. Elliott, C. S. Riley, G. W. Allan, N. J. Breen, J. A. Crowe, C. C. Ferguson, R. J. Gourlay, W. A. Murphy, H. B. Lyall, S. T. Smith, J. H. Turnbull, R. R. Wilson, Winnipeg; W. H. Malkin, Vancouver; F. W. Stobart, Sussex, Eng.

**Branch Offices**—Regina, Calgary.

Record of Earnings

| Year | Paid-up Capital $ | Net Profits* $ | Div. Rate $ | Rate Earned per sh.† $ |
|---|---|---|---|---|
| 1929 | 1,500,000 | 120,192 | 2.50 | 8.44 |
| 1930 | 1,500,000 | 79,886 | 2.50 | 2.31 |
| 1931 | 1,500,000 | 55,752 | 1.50 | 1.19 |
| 1932 | 1,500,000 | 33,333 | 0.50 | ... |
| 1933 | 1,500,000 | 12,043 | ... | ... |

*After all management expenses, directors' and auditors' fees, salaries, taxes, etc., but before provision against depreciation in market value of bonds, debentures and stocks.
†After provision against depreciation in market value of bonds, debentures and stocks.

| Year | Guar. Account $ | Estates under Adminis. $ | Reserve $ |
|---|---|---|---|
| 1929 | 2,444,024 | 12,532,971 | 300,000 |
| 1930 | 2,330,695 | 12,513,917 | 300,000 |
| 1931 | 2,193,721 | 14,315,894 | 300,000 |
| 1932 | 1,931,917 | 14,156,891 | *300,000 |
| 1933 | 1,836,556 | 15,095,608 | *300,000 |

*Shown as general investment reserve.

### Nova Scotia Trust Co.

Nova Scotia Trust Co., Halifax, was incorporated in Nova Scotia in 1912. Mortgage investments of the company are confined entirely to Nova Scotia. The company has shown increasing business in recent years but earnings have been lower.

**Officers and Directors**—M. S. Clarke, pres.; B. P. Saunders, vice-pres.; T. W. Murphy, vice-pres.; R. W. Elliot, man. dir.; G. R. Harrison, sec.; C. W. Anderson, Hon. Wm. Chisholm, R. A. Corbett, Hon. W. H. Dennis, J. G. Farquhar, G. E. Graham, L. A. Lovett, Hon. G. H. Murphy, J. A. Young.

Earnings Record
Year End. Feb. 28

| Year | Paid-up Capital $ | Net Profits* $ | Div. Rate % | Rate Earned % |
|---|---|---|---|---|
| 1929 | 425,900 | 40,687 | 7 | 10.5 |
| 1930 | 469,700 | 43,220 | 7 | 10.0 |
| 1931 | 474,700 | 56,119 | 7 | 12.0 |
| 1932 | 474,700 | 59,314 | 7 | 12.5 |
| 1933 | 474,700 | 24,251 | 7 | 5.1 |

*After deducting fees, taxes and amount written off.

| Year | Guar. Account $ | Estates under Adminis. $ | Total Reserves $ |
|---|---|---|---|
| 1929 | 949,738 | 3,152,302 | 100,000 |
| 1930 | 1,097,683 | 4,015,884 | 125,000 |
| 1931 | 1,250,252 | 4,604,746 | 135,000 |
| 1932 | 1,322,235 | 4,974,636 | 150,000 |
| 1933 | 1,873,418 | 5,351,447 | 125,000 |

Latest figures available.

### Occidental Trust Co.

Occidental Trust Co., Wawanesa, Man., has no liabilities to the public and total assets are under $200,000.

**Officers**—R. Wallace, pres.; G. H. Stephens, vice-pres.; C. M. Vanstone, man. dir.; E. L. McDonald, sec. treas.

**Directors**—A. J. Elliott, S. H. Henderson, E. L. McDonald, C. M. Vanstone, G. H. Stephens, R. Wallace.

Earnings Record

| Year | Paid-up Capital $ | Net Profits $ | Div. Rate % | Rate Earn. % |
|---|---|---|---|---|
| 1929 | 129,083 | 10,466 | .. | 8.1 |
| 1930 | 130,175 | 4,889 | 5 | 3.7 |
| 1931 | 130,175 | 8,635 | 5 | 6.6 |
| 1932 | 132,675 | 5,791 | 5 | 4.4 |
| 1933 | 132,735 | 4,509 | 5 | 3.4 |

| Year | Total Assets $ | Reserve Funds $ | Liab. to Public $ |
|---|---|---|---|
| 1929 | 189,049 | ...... | ...... |
| 1930 | 190,000 | ...... | ...... |
| 1931 | 192,137 | ...... | ...... |
| 1932 | 193,919 | 25,000 | ...... |
| 1933 | 193,232 | 25,000 | ...... |

### Okanagan Loan & Investment Trust

Okanagan Loan & Investment Trust Co., Kelowna, B.C., was incorporated in 1909.

Kelowna, B.C.

**Officers**—B. de F. Boyce, chm.; J. R. Beale, vice-chm.; O. St. P. Aitkens, mgr.; F. V Royle, sec.

**Directors**—B. de F. Boyce, Kelowna; J. R. Beale, Rutland, D. L. Jones, O. St. P. Aitkens, Kelowna; A. J. Corner, Kelowna.

Earnings Record

| Year | Paid-up Capital $ | Net Profits $ | Div. Rate % | Rate Earn. % |
|---|---|---|---|---|
| 1929 | 403,000 | 28,135 | 6 | 6.9 |
| 1930 | 403,000 | 26,346 | 4½ | 6.5 |
| 1931 | 403,000 | 26,487 | 4½ | 6.5 |
| 1932 | 403,000 | ‡15,899 | 2¼ | 3.9 |
| 1933 | 403,000 | ‡3,321 | 2¼ | 0.8 |

| Year | Guar. Accounts $ | Estates under Adminis. $ | Total Reserves $ |
|---|---|---|---|
| As at June 30: | | | |
| 1929 | 38,260 | 253,865 | 48,000 |
| 1930 | 54,863 | 236,278 | 48,000 |
| 1931 | 37,416 | 227,512 | 48,000 |
| 1932 | 16,951 | 196,725 | 40,000 |
| 1933 | 15,731 | 189,450 | 40,000 |

*Six per cent on fully paid shares and five per cent on partly paid shares.
‡Less tax reserve.
†Includes accounts receivable (not secured) $4,846.

### Premier Trust Co.

Premier Trust Co., formerly of London, was acquired by a Toronto group early in 1931. Control was formerly held by the People's Loan & Savings Corp., whose affairs are now administered by Huron & Erie Mortgage Corp. Total assets of Premier Trusts were $3,007,259 at the end of 1933. Earnings showed some increase in 1932 and 1933. In February, 1934, shareholders agreed to the purchase of assets and business of Imperial Trusts Co. Upon approval of the purchase by the treasury board the combined assets of the two companies will be in excess of $11,000,000. Offices are maintained in Toronto, London and St. Catharines, Ont.

**Officers and Directors**—

J. Gray, pres.; W. Heaman, vice-pres.; W. Spittal, sec.; T. B. Holmes, mgr.; Dr. J. Dearness, A. W. Peene.

The adjourned annual meeting will be held April 21 at which time the board will be increased in size.

Earnings Record

| Year | Paid-up Capital $ | Net Profits* $ | Div. Rate % | Rate Earned per sh.† $ |
|---|---|---|---|---|
| 1928 | 180,000 | 10,937 | 6.50 | 6.4 |
| 1929 | 190,000 | 13,128 | 6 | 7.2 |
| 1930 | 190,000 | 12,407 | 6 | 6.5 |
| 1931 | 230,055 | 9,520 | 5 | 4.8 |
| 1932 | 300,063 | 13,817 | 5+1 | 5.3 |
| 1933 | 317,420 | 16,810 | 5+1 | 5.3 |

*After deducting provision for taxes and sundry adjustments. †On average capital.

| Year | Guar. Account $ | Estates under Adminis. $ | Total Reserves $ |
|---|---|---|---|
| 1928 | 170,128 | 1,141,114 | 18,000 |
| 1929 | 156,499 | 1,743,297 | 20,000 |
| 1930 | 159,173 | 1,726,162 | 20,000 |
| 1931 | 221,749 | 1,912,167 | 20,000 |
| 1932 | 226,099 | 1,906,148 | 15,000 |
| 1933 | 253,775 | 2,415,422 | 15,000 |

### Prudential Trust Co.

Prudential Trust Co., Montreal, commenced business in 1910 with a federal charter. The company has grown slowly. In 1930 capital structure was reorganized and previous losses were written off. Business consists chiefly of administration of estates, trusts and agencies.

**Officers**—B. H. Brown, pres.; P. Galibert and R. Locke, vice-pres.; F. S. Taylor, mgr.; A. Hall, sec.-treas.; G. M. Rae, accountant.

**Directors**—H. N. Chauvin, chm. of board; Brig.-Gen. G. E. McCuaig, P. Galibert, R. Locke, Hon. F. Carrell, G. G. Hyde, G. H. Cooke, Dr. E. M. Desaulniers, W. D. Robb, R. H. Brown.

Earnings Record

| Year | Paid-up Capital $ | Net Profits§ $ | Div. Rate $ | Rate Earned per sh. $ |
|---|---|---|---|---|
| 1929 | 717,470 | ‡4,203 | .. | .. |
| 1930 | 347,640 | †1,057 | .. | .. |
| 1931 | 350,540 | *11,084 | .. | .. |
| 1932 | 350,540 | *45,023 | .. | .. |
| 1933 | 350,540 | 7,918 | .. | 45c |

*Loss. ‡Before deducting costs incurred in settlement of litigation. †Before deducting expenses in connection with reorganization of capital, etc. §Before deducting legal and other expenses.

| Year | Paid-up Capital $ | Net Profits§ $ | Estates under Adminis. $ |
|---|---|---|---|
| 1929 | 717,470 | ‡4,203 | 4,990,476 |
| 1930 | 347,640 | †1,057 | 5,481,284 |
| 1931 | 350,540 | *11,084 | 5,542,715 |
| 1932 | 350,540 | *45,023 | 5,456,557 |
| 1933 | 350,540 | 7,918 | 5,422,792 |

*Loss. ‡Before deducting costs incurred in settlement of litigation. †Before deducting expenses in connection with reorganization of capital, etc. §Before deducting legal and other expenses.

### Royal Trust Co.

Royal Trust Co., with head office in Montreal, has been in business since 1892 and operates 11 branches in Canada, one in St. John's, Newfoundland, and one in London, Eng. The company has total assets of $657,261,375. Chief business is in the administration of estates, trusts and agencies, of which it held $500,679,375 at the end of 1933. Included in total assets is also $137,428,577 in "safe custody account."

**Officers**—Sir Charles B. Gordon, pres.; H. R. Drummond, vice-pres.; R. P. Jellett, gen. mgr.; Ross Clarkson, asst. gen. mgr.; G. T. Bogert, supt. of branches.

**Directors**—Hugh A. Allan, D. Forbes Angus, Hon. C. C. Ballantyne, E. W. Beatty, W. A. Black, W. A. Bog, Norman J. Dawes, C. W. Dean, H. R. Drummond, Sir Charles B. Gordon, A. E. Holt, J. W. McConnell, Ross H. McMaster, F. E. Meredith, Lt.-Col. Herbert Molson, C. F. Sise, Walter M. Stewart, Montreal, Que.; Hon. Thomas Ahearn, Ottawa; Hon. Henry Cockshutt, Brantford; Major-Gen. The Hon. S. C. Mewburn, Hamilton, Ont.; Britton Osler, W. N. Tilley, Toronto; R. S. McLaughlin, Oshawa.; Hon. L. A. Taschereau, Quebec; Sir Frederick Williams-Taylor, London, Eng.

**Branch Offices**—Montreal, Calgary, Edmonton, Halifax, Hamilton, Ottawa, Quebec, Saint John, N.B., St. John's, Nfld., Toronto, Vancouver, Victoria, Winnipeg, London, Eng.

Earnings Record

| Year | Paid-up Capital $ | Net Profits* $ | Div. Rate $ | Rate Earned per sh. $ |
|---|---|---|---|---|
| 1929 | 2,000,000 | 679,118 | 12+4 | $2.96 |
| 1930 | 2,000,000 | 550,451 | 2.60+40 | †5.50 |
| 1931 | 2,000,000 | 486,655 | 3.20+40 | 4.87 |
| 1932 | 2,000,000 | 393,887 | 3.20 | 3.94 |
| 1933 | 2,000,000 | 403,291 | 3.20 | 4.03 |

†In Feb., 1930, par value of shares was reduced from $100 to $20.
*After deducting management and all other expenses and providing for all contingencies and taxes.

| Year | Guar. Account $ | Estates under Adminis. $ | Total Reserves $ |
|---|---|---|---|
| 1929 | 14,841,648 | 333,184,922 | 3,750,000 |
| 1930 | 11,923,242 | 374,397,697 | 3,750,000 |
| 1931 | 8,493,124 | 421,584,351 | 3,750,000 |
| 1932 | 7,320,443 | 479,414,081 | 3,750,000 |
| 1933 | 8,029,811 | 500,679,375 | 3,750,000 |

### Sherbrooke Trust Co.

Sherbrooke Trust Co., Sherbrooke, P.Q., has been in operation since 1874 and has total assets of $4,746,671. Company has shown a gradual growth of business, which continued in 1933 when profit was higher than in 1932.

**Officers**—W. A. Hale, pres.; J. MacKinnon, vice-pres.; P. M. Robins, sec.-treas.; R. N. Robins and R. DuBerger, asst. sec.-treas.

**Directors**—W. A. Hale, J. MacKinnon, H. E. Goodhue, M. W. Mitchell, Hon. J. Nicol, C. Picard, F. S. Rugg.

Earnings Record

| Year | Paid-up Capital $ | Net *Profits $ | Div. Rate $ | Rate Earned per sh. $ |
|---|---|---|---|---|
| 1929 | 300,000 | 36,640 | 6 | 12.21 |
| 1930 | 300,000 | 34,763 | 6 | 11.58 |
| 1931 | 300,000 | †27,565 | 6 | 9.18 |
| 1932 | 300,000 | †26,464 | 6 | 8.82 |
| 1933 | 300,000 | †31,591 | 6 | 10.53 |

*Less income tax; additional tax prior years not deducted.
†After depreciation on premises and furniture, etc., $5,040 in 1933; $5,028 in 1932; $4,985 in 1931.

| Year | Guar. Account $ | Estates under Adminis. $ | Total Reserves* $ |
|---|---|---|---|
| 1929 | 1,137,646 | 2,159,531 | 160,385 |
| 1930 | 1,163,304 | 2,208,447 | 177,002 |
| 1931 | 1,268,031 | 2,316,216 | 188,107 |
| 1932 | 1,290,374 | 2,440,882 | 192,115 |
| 1933 | 1,341,196 | 2,855,034 | 205,178 |

*Includes contingent reserve and unappropriated profits.

### Sterling Trusts Corp.

Sterling Trusts Corp., Toronto, was incorporated with Dominion charter in 1911 with head office in Regina. Later the head offices moved to Toronto and a branch was maintained in Regina. Assets now total $11,468,098. In recent years, the company has shown increased business in savings deposits and investment receipts. Earnings showed reduction in 1932 and 1933 and dividend rate was reduced to two per cent.

**Officers**—W. H. Wardrope, pres.; A. W. Briggs and N. Somerville, vice-pres.; C. Bauckham, vice-pres. and man. dir.; J. R. Lovatt, sec.; L. Johnson, mgr. Regina branch.

**Directors**—W. H. Wardrope, Hamilton; A. W. Briggs, N. Somerville, C. Bauckham, J. Hallam, C. H. Burgess, W. H. Adamson, all of Toronto; Dr. J. W. Rutherford, Chatham; W. A. Boys, Barrie; L. Johnson and W. H. McEwen, Regina.

**Branch Office**—Regina.

Record of Earnings

| Year | Paid-up Capital $ | Net Profits† $ | Div. Rate $ | Rate* Earned per sh. $ |
|---|---|---|---|---|
| 1929 | 777,530 | 60,441 | 7 | 7.92 |
| 1930 | 786,220 | 53,930 | 6 | 6.90 |
| 1931 | 789,499 | 50,812 | 6 | 6.44 |
| 1932 | 789,944 | 32,981 | 4 | 4.18 |
| 1933 | 790,085 | 16,383 | 2 | 2.07 |

*On average capital.
†Less taxes, depreciation and uncollectible fees written off.

| Year | Guar. Account $ | Estates Under Adminis. $ | Total Reserves $ |
|---|---|---|---|
| 1929 | 559,852 | 10,239,637 | 140,000 |
| 1930 | 668,832 | 10,916,003 | 140,000 |
| 1931 | 798,264 | 9,864,179 | 100,000 |
| 1932 | 832,657 | 9,639,852 | 75,000 |
| 1933 | 827,292 | 9,691,666 | 60,000 |

### Sun Trust Co.

Sun Trust Co., Montreal, commenced business in 1912 and now has total assets of $29,977,320. Business consists chiefly in the administration of estates, trusts and agencies, but in 1931 the company started to take deposits. Until 1932 earnings of the company were substantially in excess of the dividend rate of 7 per cent which was reduced to 6 per cent in 1933.

**Officers** — A. Vallee, pres.; J. Simard, A. Hudon and J. A. Brillant, vice-pres.; J. Ducharme, supt.; C. Fournier, treas.; Aime Parent, gen. mgr.; J. Guerin, sec.; J. A. Fugere, mgr. at Quebec.

**Directors** — A. Vallee, J. A. Simard, A. Hudon, J. A. Brillant, O. Dufresne, J. A. E. Gauvin, J. C. Hebert, Hon. R. Grothe, C. Delagrave, J. E. Labelle, Hon. L. Moraud.

Earnings Record

| Year | Paid-up Capital $ | Net Profits* $ | Div. Rate % | Rate† Earned % |
|---|---|---|---|---|
| 1929 | 250,000 | 37,366 | 7 | 15.0 |
| 1930 | 250,000 | 25,019 | 7 | 10.0 |
| 1931 | 250,000 | 33,589 | 7 | 13.4 |
| 1932 | 250,000 | 16,671 | 7 | 6.6 |
| 1933 | 250,000 | 4,277 | 6 | 1.7 |

*Less tax reserve. †On average capital.

| Year | Guar. Account $ | Estates Under Adminis. $ | Total Surplus $ |
|---|---|---|---|
| 1931 | 245,047 | 33,320,505 | 130,581 |
| 1932 | 203,996 | 30,521,296 | 129,752 |
| 1933 | 196,278 | 29,411,700 | 261,294 |

### Toronto General Trusts

Toronto General Trusts Corp. is one of the oldest and largest of Canadian trust companies having been incorporated in Ontario in 1872. Assets total $228,658,608.

In 1933, directors transferred $1,000,000 from reserve fund to investment reserve. Dividend rate has been reduced to 6 per cent.

**Officers**—Hon. N. W. Rowell, pres.; T. Bradshaw, E. T. Malone, vice-pres.; W. G. Watson, gen. mgr.; H. M. Forbes, asst. gen. mgr.; T. J. Maguire, mgr. Toronto office; J. W. Burgess, sec.; C. E. Robin, trust officer; H. B. Morphy, supt. stock and bond dept.; C. W. Nicholson, compt.; J. Lang, act. state mgr.; J. H. A. Burt, J. W. Langmuir and H. W. Johnston, asst. secs.

**Directors**—Hon. N. W. Rowell, C. S. MacDonald, E. T. Malone, A. Fasken, Col. J. F. Michie, H. H. Williams, T. Bradshaw, A. C. Matthews, A. H. Campbell, F. B. Hayes, S. J. Moore, W. W. Near, Albert Matthews, A. E. Phipps, C. S. MacInnes, W. G. Watson, T. A. Russell, all of Toronto; Hon. A. C. Hardy, Brockville, Ont.; Hon. C. McCrea, Sudbury, Ont.; Isaac Pitblado, Winnipeg; A. MacLaren, Buckingham, Que.; P. J. Myler, Hamilton, Ont.

**Branch Offices**—Montreal, Ottawa, Windsor, Winnipeg, Regina, Saskatoon, Calgary, Vancouver, Toronto.

Earnings Record

| Year | Paid-up Capital $ | Net Profits* $ | Div. Rate % | Rate Earned per sh.† $ |
|---|---|---|---|---|
| 1929 | 3,000,000 | 470,029 | 12 | 15.66 |
| 1930 | 3,000,000 | 456,230 | 12 | 15.21 |
| 1931 | 3,000,000 | 398,507 | 12 | 13.28 |
| 1932 | 3,000,000 | 341,871 | 10.50 | 11.40 |
| 1933 | 3,000,000 | 230,955 | 7 | 7.70 |

*After all management expenses, directors' fees, advertising, rents, income tax reserve, and all other charges or contingencies.
†Before appropriations for premises and equipment.
Dividend rate reduced from 10% to 8%, April 1, 1933, to 6% Oct. 2, 1933.

| Year | Guar. Account $ | Estates under Adminis. $ | Total Reserves $ |
|---|---|---|---|
| 1929 | 15,877,545 | 172,507,039 | 3,750,000 |
| 1930 | 21,736,784 | 192,103,799 | 3,750,000 |
| 1931 | 24,006,578 | 194,798,158 | 3,750,000 |
| 1932 | 24,214,608 | 193,623,941 | 3,000,000 |
| 1933 | 23,697,037 | 199,761,441 | 2,000,000 |

### Trusts & Guarantee Co.

Trusts & Guarantee Co., Toronto, started business in 1897 and now has total assets of $55,020,787. Branches are operated in Brantford and Windsor, Ont., Calgary and Winnipeg.

In February, 1934, shareholders approved the purchase of the assets and goodwill of Union Trust Co. which were taken over as of December 30, 1933.

**Officers**—James J. Warren, pres.; W. D. Bell, vice-pres.; E. B. Stockdale, vice-pres. and gen. mgr.; C. S. Hamilton, asst. gen. mgr., Eastern branches; H. A. Howard, asst. gen. mgr., Western branches; J. E. Robinson, sec.; R. S. Anderson, treas.; C. D. Henderson, supt.; R. W. Roberts, Brantford, branch mgr.; O. N. Birchard, Windsor, branch mgr.; A. B. Hornby, act. mgr., Winnipeg.

**Directors**—James J. Warren, E. B. Stockdale, Herbert Begg, Arnold M. Ivey, D. J. McDougald, A. L. Smith, W. Harold Mara, J. H. McConnell, J. Homer Black, Toronto; W. D. Bell, Chesley, Ont.; H. A. Howard, Calgary, Alta.; Col. S. C. Robinson, Walkerville, Ont.; Col. Ernest Wigle, C. P. McTague, Windsor, Ont.; J. B. McMartin, Montreal; W. T. Henderson, Major Edmund Sweet, Brantford; W. M. Archibald, Trail, B.C.

Calgary Advisory Board—P. Turner Bone, R. W. Ward, Charles D. Taprell, Calgary.

**Branch Offices**—Toronto, Brantford, Windsor, Ont., Calgary, Winnipeg.

| Year | Paid-up Capital $ | Net Profits* $ | Div. Rate $ | Rate Earned per sh. $ |
|---|---|---|---|---|
| 1929 | 1,974,228 | 165,883 | 6 | 8.40 |
| 1930 | 1,976,770 | 153,205 | 6 | 7.75 |
| 1931 | 1,977,587 | 129,883 | 6 | 6.57 |
| 1932 | 1,977,887 | 86,997 | 4 | 4.40 |
| 1933 | 2,547,887 | 70,442 | 3 | †3.56 |

†On capital of $1,977,887 outstanding until purchase of Union Trust Co. as of December 31, 1933.
*After deducting cost of management, advertising, general expenses, salaries, directors' and auditors' fees and taxes.

| Year | Guar. Account $ | Estates under Adminis. $ | Undiv. Profits $ |
|---|---|---|---|
| 1929 | 7,352,898 | 29,753,838 | 219,884 |
| 1930 | 7,565,131 | 31,325,569 | 237,508 |
| 1931 | 7,489,546 | 33,092,451 | 158,404 |
| 1932 | 7,068,633 | 33,830,469 | 102,897 |
| 1933 | 9,607,696 | 42,717,489 | 114,003 |

### Trust & Loan Co.

Trust & Loan Co. of Canada, Montreal, was incorporated in 1843 in Canada and by Royal Charter in 1845 so that the company is the oldest one in Canada loaning money on first mortgage securities. Assets at March 31, 1933, the end of the last fiscal year, totalled £4,224,253. Head office of the company is in London.

**Officers and Directors**—

Col. the Hon. S. Peel, pres.; F. W. Stobart, vice-pres.; J. H. Newcomb, M. Balfour, R. C. Young, J. Campbell, C. Ralph Snowden, sec.

**Officers in Canada**—

R. C. Young, commissioner, Montreal; J. Rogers, asst. commissioner, Winnipeg.

| Year end. Mar. 31 | Paid-up Capital £ | Net Profits* £ | Div. Rate % | Rate Earned % |
|---|---|---|---|---|
| 1929 | 1,350,000 | 86,299 | 6 | 6.3 |
| 1930 | 1,350,000 | 91,033 | 6 | 6.7 |
| 1931 | 1,350,000 | 76,480 | 5 | 5.6 |
| 1932 | 1,350,000 | 32,702 | 2 | 2.4 |
| 1933 | 1,350,000 | *14,678 | 1 | ... |

*Deficit after deducting £144,656 carried to reserve in respect of interest unpaid.

| Year end. Mar. 31 | Total Assets $ | Reserve Funds $ | Mtge. & Real Est. Loans $ |
|---|---|---|---|
| 1929 | 4,371,345 | 152,131 | 17,009,249 |
| 1930 | 4,257,133 | 150,064 | 17,041,406 |
| 1931 | 4,447,244 | 147,605 | 17,044,195 |
| 1932 | 4,415,828 | 147,542 | 16,825,549 |
| 1933 | 4,224,253 | 143,214 | 17,279,946 |

### Victoria Trust & Savings Co.

Victoria Trust & Savings Co., Lindsay, Ont., was originally incorporated in 1887 under the Ontario Building Societies Act, but later was permitted to do business outside of the county of Victoria and more recently received trust powers. Assets of the company total $8,656,449, largely in guarantee trust account, although estates under administration show steady increase in amount in recent years. Mortgages held by the company are principally on properties located in Ontario but about 14 per cent of the total is in Saskatchewan. In 1933 $100,000 was transferred from reserve fund into investment reserve, increasing the latter to $185,000.

**Officers**—W. Flavelle, pres.; T. H. Stinson and H. J. Lytle, vice-pres.; C. E. Weeks, mgr.; N. Smale, asst. mgr.; G. H. Shipman,; Cannington.

**Directors**—W. Flavelle, H. J. McLaughlin, H. J. Lytle, J. B. Begg, W. Walden, Canon C. H. Marsh, T. H. Stinson, C. E. Weeks.

| Year | Paid-up Capital $ | Net Profits* $ | Div. Rate $ | Rate Earn. $ |
|---|---|---|---|---|
| 1929 | 800,000 | 136,645 | 10 | 17.08 |
| 1930 | 800,000 | 127,801 | 10 | 15.97 |
| 1931 | 810,000 | 119,284 | 10 | 14.83 |
| 1932 | 810,000 | 99,351 | 10 | 12.26 |
| 1933 | 810,000 | 64,553 | 8 | 7.97 |

*Reserve for federal taxes and amount written off premises deducted.

| Year | Guar. Account $ | Estates under Adminis. $ | Reserve Fund $ |
|---|---|---|---|
| 1929 | 6,033,618 | 245,977 | 750,000 |
| 1930 | 6,217,330 | 481,279 | 800,000 |
| 1931 | 6,108,554 | 558,398 | 810,000 |
| 1932 | 6,114,561 | 756,447 | 800,000 |
| 1933 | 6,080,586 | 836,752 | 700,000 |

### Sterling Trust Co. B. C.

Sterling Trust Co. of British Columbia, Vancouver B.C., failed to report earnings in its annual balance sheet but showed total assets of $380,585 in 1932. Reserves of the company have been deducted from gross assets in order to partially offset decrease in market value of securities held.

### Waterloo Trust & Savings Co.

Waterloo Trust and Savings Co., Waterloo, Ont., received an Ontario charter in 1913 as a loan company and later received trust powers. Assets total $13,110,540. Mortgage investments are chiefly on property in Ontario, although some is money invested in Saskatchewan and Manitoba.

**Officers and Directors**—

E. F. Seagram, pres.; F. S. Kumpf, L. L. Lang, vice-pres.; P. V. Wilson, man. dir.; H. Knell, H. T. Sims, Kitchener; F. Halstead, W. L. Hilliard, T. W. Seagram, Waterloo; R. O. McCulloch, Galt; G. A. Dobbie, Galt; G. L. Forbes, Hespeler; P. R. Hilborn, Preston; T. Hilliard, Waterloo.

**Branch Offices**—Waterloo, Kitchener, Galt, Preston.

Earnings Record

| Year | Paid-up Capital $ | Net Profits* $ | Div. Rate $ | Rate Earn. $ |
|---|---|---|---|---|
| 1929 | 1,000,000 | 119,759 | 7 | 11.97 |
| 1930 | 1,000,000 | 122,764 | 7 | 12.27 |
| 1931 | 1,000,000 | 100,062 | 7 | 10.00 |
| 1932 | 1,000,000 | ‡90,666 | 6½ | 9.07 |
| 1933 | 1,000,000 | ‡88,663 | 5 | 8.86 |

* Income tax deducted.
‡ Before deducting amount written off for depreciation.

| Year | Guar. Account $ | Estates under Adminis. $ | Total Reserves $ |
|---|---|---|---|
| 1929 | 6,868,166 | 2,006,302 | 400,000 |
| 1930 | 7,503,039 | 2,331,474 | 450,000 |
| 1931 | 7,883,503 | 2,554,993 | 450,000 |
| 1932 | 7,828,638 | 3,493,138 | *400,000 |
| 1933 | 7,949,048 | 3,717,578 | *400,000 |

* Includes $200,000 investment reserve.

### Western Trust Co.

Western Trust Co., Winnipeg, started business in 1906 with a federal charter and now has total assets $4,551,609. Mortgages held are principally on Saskatchewan property and the substantial reduction in earnings during the past three years is a reflection of mortgage conditions in this province. Collections on interest account by the company were better in 1933 than in 1932.

**Officers**—R. Johnston, pres.; C. A. Adamson, vice-pres. and man. dir.; A. I. Grierson, sec.

**Directors**—R. Johnston, C. A. Adamson, H. H. Smith, A. B. Adamson, W. J. Tupper, all of Winnipeg; G. R. Whitmore, Regina; W. P. Fess, Toronto, J. H. Lane, Huronville, Sask.

**Branch Offices** — Regina, Saskatoon, Edmonton.

Earnings Record

| Year | Paid-up Capital $ | Net Profits* $ | Div. Rate $ | Rate Earn. $ |
|---|---|---|---|---|
| 1929 | 1,006,000 | 87,244 | 5 | 8.68 |
| 1930 | 1,005,000 | 75,629 | 5 | 7.52 |
| 1931 | 1,005,000 | 45,317 | 5 | 4.50 |
| 1932 | 1,005,000 | †5,198 | 2.50 | 0.51 |
| 1933 | 1,005,000 | ‡1,535 | . | 0.15 |

*After provision for income tax.
†Before deducting balance of income tax to Jan. 1, 1932, $1,556. ‡Before additional income tax applicable to prior years, $1,113.

| Year | Guar. Account $ | Estates under Adminis. $ | Total Reserves $ |
|---|---|---|---|
| 1929 | 838,902 | 8,627,058 | 350,000 |
| 1930 | 838,045 | 7,805,796 | 350,000 |
| 1931 | 835,378 | 7,104,000 | 400,000 |
| 1932 | 809,178 | 5,714,787 | 400,000 |
| 1933 | 794,706 | 2,298,801 | 390,250 |

1913 Twentieth Anniversary 1933

A RECORD OF STEADY PROGRESS

| | Subscribed Capital | Paid-Up Capital | Assets | Reserve |
|---|---|---|---|---|
| 1913 | Nil | Nil | Nil | Nil |
| 1918 | $607,600.00 | $210,595.93 | $239,435.05 | $27,943.36 |
| 1923 | 4,052,600.00 | 518,663.90 | 561,110.77 | 40,409.45 |
| 1928 | 5,163,700.00 | 766,794.00 | 927,479.00 | 157,857.48 |
| 1933 | 5,620,400.00 | 910,114.67 | 1,093,175.41 | 181,802.55 |

*Balance Sheet Furnished on Request*

Western Canada's Dominion Mortgage Corporation

International Loan Company

304 TRUST AND LOAN BLDG., WINNIPEG

### Sask. General Trusts Corp.

Regina, Sask.

**Officers**—G. H. Barr, pres.; D. Low, vice-pres.; P. C. Clarke, gen. mgr.; R. M. Barr, sec.

| Year | Paid-up Capital $ | Net Profits $ | Div. Rate % | Rate Earn. % |
|---|---|---|---|---|
| 1929 | 239,632 | 8,126* | 6 | 3.9 |
| 1930 | 241,753 | 747 | .. | 0.3 |
| 1931 | 241,753 | 1,551 | .. | 0.6 |
| 1932 | 241,753 | 728 | .. | .. |

* Less tax reserve.

| Year | Guar. Account Assets $ | Estates under Adminis. $ | Total Reserves $ |
|---|---|---|---|
| 1929 | 16,558 | 4,472,521 | 60,000 |
| 1930 | 28,182 | 4,534,797 | 30,507 |
| 1931 | 31,029 | 4,551,054 | 30,507 |
| 1932 | ...... | 4,860,241 | 30,000 |

Latest figures available.

### West. Canada Investment

Edinburgh

**Officers**—F. J. G. Borthwick, chm., Black and Armstrong, Canadian mgrs., Winnipeg; C. A. Adamson, signing officer, Winnipeg; Martin, Currie & Co., secs. and mgrs., Edinburgh.

Earnings Record as at June 30

| Year | Paid up Capital† $ | Net Profits $ | Div. Rate % | Rate Earn.* % |
|---|---|---|---|---|
| 1931 | 750,000 | 16,665 | 5¼ | 3.3 |
| 1932 | 750,000 | 6,935 | 5¼ | 1.4 |
| 1933 | 750,000 | 2,268 | .. | 0.4 |

† Consists of $500,000 preferred stock and $250,000 ordinary. * On preferred.

| Year | Total Assets $ | Reserve Funds $ | Mtge. Loans $ |
|---|---|---|---|
| 1931 | 1,346,885 | 50,000 | 415,320 |
| 1932 | 1,294,275 | 45,000 | 369,815 |
| 1933 | 1,256,675 | 41,784 | 352,860 |

### Commercial Trust Co.

Prince Albert, Sask.

**Officers**—F. C. Baker, pres.; A. J. Hansen, vice-pres.; Lindsay & Hutcheon, mgrs.; J. H. Lindsay, sec.

**Directors**—F. C. Baker, A. J. Hansen, J. H. Lindsay, M. J. McLeod, Mrs. J. G. Stinson.

Earnings Record Year Ended June 30

| Year | Paid-up Capital $ | Net Profits $ | Div. Rate % | Rate Earn. % |
|---|---|---|---|---|
| 1930 | 15,000 | 133 | .. | 0.8 |
| 1931 | 15,000 | 162 | .. | 1.0 |
| 1932 | 15,000 | 162 | .. | 1.0 |

| Year | Total Assets $ | Estates under Adminis. $ | Total Reserves $ |
|---|---|---|---|
| 1930 | 42,014 | 22,543 | 525 |
| 1931 | 43,157 | 23,549 | 525 |
| 1932 | 44,120 | 24,518 | 357 |

The

Victoria Trust and Savings Co.

Established 1895

Record of Growth

| | DEPOSITS | DEBENTURES | ASSETS |
|---|---|---|---|
| 1900 | $88,561.52 | $22,824.77 | $231,910.00 |
| 1905 | 154,059.87 | 112,273.04 | 419,188.00 |
| 1910 | 196,884.00 | 175,890.00 | 706,014.00 |
| 1915 | 394,566.00 | 386,751.00 | 1,444,019.00 |
| 1920 | 1,094,734.00 | 1,169,000.00 | 3,292,848.00 |
| 1925 | 1,312,940.00 | 2,466,035.00 | 5,218,820.00 |
| 1933 | 1,365,611.54 | 4,714,974.88 | 8,656,558.52 |

Head Office: LINDSAY, ONT. Branch: CANNINGTON

A COMBINED MORTGAGE AND TRUST INSTITUTION—THE STRONGEST IN CANADA

Head Office
TORONTO, ONT.
COR. ADELAIDE
AND BAY STREETS

SERVICES in SAVINGS
MORTGAGES
DEBENTURES
TRUSTS and ESTATES

BRANCHES from COAST to COAST

COMBINED ASSETS in EXCESS of $100,000,000

CANADA PERMANENT
MORTGAGE CORPORATION

has the unique record of serving the Canadian people from 1855 to 1934. Its conduct of business has been distinguished by an uncompromising fidelity to its clients' interests. Its service has always been directed by men whose experience and financial knowledge have ensured the most economical, capable and satisfactory management. Today, with branches from coast to coast, the Corporation stands pre-eminent among Canadian loan institutions. All funds are protected by a bulwark of assets in excess of $70,000,000.

THE CANADA PERMANENT
TRUST COMPANY

is under the same direction and management as the Mortgage Corporation. It acts in the capacity of Executor and Trustee. Services include Living Trusts ... Investments ... Collections ... Real Estate Management ... Stock Transfer Agent ... Registrar ... Attorney for Executors and Trustees ... and Custodian of Securities. It also offers you the most modern Safety Deposit Facilities in Canada where for a small sum your precious possessions will be in absolute security.

*We invite you to consult with us*

DIRECTORS:—President—W. G. Gooderham; First Vice-President—George H. Smith; Second Vice-President—Col. A. E. Gooderham, LL.D.; F. Gordon Osler; George W. Allan, K.C., Winnipeg; William Stone, A. B. Campbell, W.S., Edinburgh; Norman Mackenzie, K.C., Regina; John A. Rowland, K.C., F. C. Corrigan; General Manager—George H. Smith, Assistant General Managers—Robert Henderson, Charles S. Robertson and Walter F. Watkins.

CANADA
PERMANENT
MORTGAGE CORPORATION

79 YEARS

THE
CANADA
PERMANENT
TRUST COMPANY

BRANCHES:
Halifax, Saint John, Woodstock, Ont., Brantford, Toronto, Winnipeg, Regina, Edmonton, Vancouver

# Loan Companies

## Can. Permanent Mtge.

Canada Permanent Mortgage Corp., Toronto, was originally incorporated in 1899 with a Dominion charter, but the history of the company extends back to 1855, when two terminable building societies were terminated and merged to form Canada Permanent Building & Savings Society.

Liabilities to the public include some $11,683,446 of sterling debentures, $28,897,210 of currency debentures and $14,658,296 of deposits. There has been a very slight decline in sterling debentures outstanding in recent years, which is more than offset by increase in currency debentures. The company has substantial investments in mortgages, approximately two-thirds of mortgage loans being on properties in Ontario and Eastern Canada and the remaining one-third in the Western provinces. Reserve fund was reduced by $1,000,000 in 1933 by a transfer of this amount to internal reserves. Stock of the company is listed on the Toronto Stock Exchange.

**Officers**—W. G. Gooderham, pres.; G. H. Smith, first vice-pres. and gen. mgr.; Col. A. E. Gooderham, sec. vice-pres.; W. F. Watkins, asst. gen. mgr. and sec.; R. Henderson, asst. gen. mgr. and inspector of branches; C. S. Robertson, asst. gen. mgr. and mgr. Ontario branch.

**Directors**—W. G. Gooderham, G. H. Smith, Col. A. E. Gooderham, F. G. Osler, J. A. Rowland, F. S. Corrigan, W. Stone, Toronto; G. W. Allan, Winnipeg; A. B. Campbell, Edinburgh; N. Mackenzie, Regina.

**Chief Office in Great Britain**—36 Castle St., Edinburgh.

**Branch Offices**—Toronto, Winnipeg, Vancouver, Halifax, Saint John, N.B., Edmonton, Regina, Woodstock, Ont., Brantford, Ont.

**Earnings Record**

| Year | Paid-up Capital $ | Net Profits* $ | Div. Rate $ | Rate Earned per sh. $ |
|---|---|---|---|---|
| 1929 | 7,000,000 | 1,058,271 | 12 | 15.12 |
| 1930 | 7,000,000 | 989,516 | 12 | 14.14 |
| 1931 | 7,000,000 | 913,928 | 12 | 13.06 |
| 1932 | 7,000,000 | †888,559 | 12 | 12.68 |
| 1933 | 7,000,000 | †730,192 | 9½ | 10.43 |

* After deducting interest on borrowed capital, expenses of management, taxes and making provision for possible losses and contingencies.

† Before deducting amount written off office premises, $110,000 in 1933; $55,746 in 1932.

| Year | Total Assets $ | Reserve Funds $ | Liab. to Public $ |
|---|---|---|---|
| 1929 | 66,656,017 | 8,000,000 | 51,128,826 |
| 1930 | 69,821,288 | 8,000,000 | 58,644,580 |
| 1931 | 73,260,893 | 8,000,000 | 57,510,257 |
| 1932 | 71,587,473 | 8,000,000 | 55,844,024 |
| 1933 | 70,772,222 | 7,000,000 | 56,143,581 |

## Central Canada Loan

Central Canada Loan & Savings Co. is now a holding and investment company with substantial interests in the Canada Life Assurance Co., National Trust Co. and other financial institutions. The company was incorporated in Ontario in 1884, later receiving a dominion charter in 1898. A branch was opened in Oshawa, Ont., in 1930.

As at July 1, 1933, deposit accounts of the company at head office in Toronto were transferred to the National Trust Co., and deposit accounts at the Oshawa branch were transferred to the Canadian Bank of Commerce. Mortgage loans of the company were taken over by several life insurance companies and debenture liabilities were liquidated during the latter part of 1933. As a result of these changes the character of the company was entirely changed. Stock of the company is listed on the Toronto Stock Exchange but is rarely traded.

**Officers**—E. R. Wood, pres.; G. A. Morrow, vice-pres. and man. dir.; H. C. Cox, Leighton McCarthy, vice-presidents; W. J. Hastie, sec.

**Directors**—E. R. Wood, G. A. Morrow, H. C. Cox, Leighton McCarthy, E. T. Malone, A. H. Cox, F. P. Wood, F. McCarthy, all of Toronto; W. G. Morrow, Peterborough.

**Branch Office**—Oshawa, Ont.

**Earnings Record**

| Year | Paid-up Capital $ | Net Profits $ | Div. Rate $ | Rate Earned per sh. $ |
|---|---|---|---|---|
| 1929 | 2,500,000 | 453,150 | 12+3 | 18.13 |
| 1930 | 2,500,000 | 392,634 | 12+3 | 15.71 |
| 1931 | 2,500,000 | 335,369 | 12+2 | 13.41 |
| 1932 | 2,500,000 | 264,937 | 10½ | 10.60 |
| 1933 | 2,500,000 | 202,463 | 8 | 8.10 |

Dividend rate reduced to $8 per annum, April 1, 1933.

| Year | Total Assets $ | Reserve Funds $ | Liab. to Public $ |
|---|---|---|---|
| 1929 | 11,225,366 | 2,100,000 | 6,341,681 |
| 1930 | 12,138,776 | 2,100,000 | 7,232,456 |
| 1931 | 11,308,857 | 2,100,000 | 6,447,178 |
| 1932 | 11,008,098 | 2,100,000 | 6,201,482 |
| 1933 | 4,799,601 | 2,100,000 | 8.02 |

## Credit Foncier

Credit Foncier Franco-Canadien, Montreal, is one of the largest Canadian mortgage companies and was incorporated in 1880 under Quebec laws. In addition to head office in Montreal, branches are operated in Ontario and the Western provinces. Control of Holland-Canada Mortgage Co. was acquired in 1930.

**Capital Paid-up**—
Fr. frs. 50,000,000 (carried as $9,647,667). Issued, 100,000 shares of Fr. frs. 500 par value.

| Assets— | 1932 $ | 1931 $ |
|---|---|---|
| Mortgages | 41,096,669 | 42,998,314 |
| Other loans | 3,505,831 | 3,210,484 |
| Office premises | 735,000 | 735,000 |
| Cash and other | 7,968,739 | 8,430,467 |
| Total | 53,306,239 | 55,374,266 |
| Debent. Outstand. | 20,480,282 | 20,856,884 |

**Reserves and Earnings Record**

| Year | Reserves | Net profits | Div. paid per sh.* |
|---|---|---|---|
| 1928 | 17,443,245 | 1,912,767 | 375.00 |
| 1929 | 17,667,446 | 1,939,607 | 390.00 |
| 1930 | 17,808,630 | 1,942,809 | 390.00 |
| 1931 | 18,086,704 | 1,690,544 | 340.00 |
| 1932 | 18,191,988 | 1,459,505 | 200.00 |

Note: Annual statement usually issued in July.

*Fr. Frs.

**Directors**—J. E. Moret, pres., Paris; Hon. R. Lemieux, Montreal, vice-pres.; A. Benac, Comte Ch. Cahen d'Anvers, Comte de Camondo, Martial Chevalier, A. Denfert-Rochereau, R. Masson, Paris; Hon. L. A. Taschereau, F. Perry, Montreal. Censors: Paul Amos, E. de la Longuiniere, J. Mignot.

**Officers**—Vicomte R. de Roumefort, gen. mgr.; J. T. Leclerc, mgr. M. M. Pasquin, mgr.; Armand Chevalier, gen. sec., Montreal; M. Reimel, sec. in Paris; J. M Vale, mgr., Toronto.

## Crown Savings & Loan Co.

Crown Savings Co., Petrolia, was originally incorporated in 1877. Liabilities to the public are chiefly in currency debentures and all of the company's mortgage loans are on properties located in Ontario.

**Officers and Directors** — F. W. Mulligan, pres.; W. B. Smith, vice-pres.; C. Egan, mgr.; D. Wright, K. C. Kerr, F. J. McMahen, J. McGill.

**Earnings Record**

| Year | Paid-up Capital $ | Net Profits $ | Div. Rate % | Rate Earned % |
|---|---|---|---|---|
| 1929 | 241,050 | 20,549 | 6½ | 8.1 |
| 1930 | 241,050 | 15,275 | 6½ | 6.3 |
| 1931 | 241,050 | 11,270 | 5½ | 4.6 |
| 1932 | 241,050 | 13,146 | 5½ | 5.4 |
| 1933 | 241,050 | 10,062 | 4 | 4.1 |

| Year | Total Assets $ | Reserve Funds $ | Liab. to Public $ |
|---|---|---|---|
| 1929 | 736,825 | 132,000 | 384,890 |
| 1930 | 719,262 | 120,000 | 347,885 |
| 1931 | 709,509 | 120,000 | 341,325 |
| 1932 | 658,657 | 80,000 | 330,585 |
| 1933 | 644,105 | 80,000 | 317,421 |

## Debenture Co. of Canada

Debenture Co. of Canada, Regina, has experienced a sharp drop in net profits during the last four years, but has no liabilities to the public and has increased liquid position to some extent. The company deals principally in tax sales certificates.

**Officers**—A. B. McGill pres. and man. dir.; J. F. Johnston, vice-pres.; M. H. Tilson, sec.

**Earnings Record**

| Year end Nov. 30 | Paid-up Capital $ | Net Profits* $ | Div. Rate % | †Rate Earned per sh. $ |
|---|---|---|---|---|
| 1928 | 480,018 | 51,333 | 10 | 12.2 |
| 1929 | 512,071 | 55,717 | 8 | 11.7 |
| 1930* | 534,723 | 11,422 | 6 | 2.2 |
| 1931 | 545,784 | 8,837 | 8 | 1.6 |
| 1932 | 548,895 | 2,011 | .. | ‡0.4 |
| 1933 | 552,177 | 38 | .. | .... |

†On average capital. ‡On paid-up capital. *Less income tax.

| Year end Nov. 30 | Total Assets $ | Reserve Funds $ | Tax Sale Certificates $ |
|---|---|---|---|
| 1928 | 650,698 | 40,000 | 358,088 |
| 1929 | 761,929 | 55,000 | 512,569 |
| 1930 | 831,273 | 60,000 | 533,200 |
| 1931 | 784,210 | 60,000 | 392,891 |
| 1932 | 773,393 | 60,000 | 304,073 |
| 1933 | 846,675 | 60,000 | 305,687 |

Company has no liabilities to the public.

## Eastern Canada Savings & Loan

Eastern Canada Savings & Loan Co., Halifax, operates under Dominion charter originally secured in 1887. In 1932 and 1933 reserve was reduced by a total of $100,000 and reserve for depreciation of investments was increased to $132,700 from $35,000 shown in 1931.

**Officers**—Hon. W. A. Black, pres.; O. E. Smith, vice-pres.; J. A. Clark, mgr.; G. W. Hazen, asst. mgr.

**Directors**—Hon. W. A. Black, O. E. Smith, J. A. Clark, A. E. Silver, D. E. North.

**Earnings Record**

| Year | Paid-up Capital $ | Net Profits* $ | Div. Rate $ | Rate Earn. per sh. $ |
|---|---|---|---|---|
| 1929 | 750,000 | 83,814 | 8 | 11.17 |
| 1930 | 750,000 | 86,000 | 8 | 11.46 |
| 1931 | 750,000 | 99,295 | 8 | 13.23 |
| 1932 | 750,000 | 82,841 | 8 | 11.04 |
| 1933 | 750,000 | 55,368 | 8 | 7.38 |

* Less taxes and depreciation on office buildings, etc.

| Year | Total Assets $ | Reserve Funds $ | Liab. to Public $ |
|---|---|---|---|
| 1929 | 3,544,974 | 375,000 | 2,410,079 |
| 1930 | 4,185,357 | 400,000 | 2,978,296 |
| 1931 | 4,517,887 | 400,000 | 3,315,101 |
| 1932 | 4,420,348 | 354,200 | 3,222,660 |
| 1933 | 4,271,314 | 300,000 | 3,081,133 |

## Empire Loan Co.

Empire Loan Co., Winnipeg, has been in operation for 30 years, but has experienced losses in both 1933 and 1932. The company has only $26,671 of debentures outstanding and liabilities to the public consist chiefly of prior mortgages.

Assets include $479,963 in mortgages and agreements of sale and $301,374 in real estate.

**Officers**—C.M. Simpson, pres.; W. F. Hull, vice-pres.; S. T. Jones, sec.-treas.

**Directors**—C. M. Simpson, W. F. Hull, J. Douglass, T. R. Slagsvol, O. C. Feetham.

**Earnings Record**

| Year | Paid-up Capital $ | Net Profits $ | Div. Rate $ | Rate Earned per sh. $ |
|---|---|---|---|---|
| 1929 | 638,386 | 17,980 | .. | 2.81 |
| 1930 | 638,386 | 13,109 | .. | 2.05 |
| 1931 | 638,386 | 9,633 | .. | 1.51 |
| 1932 | 638,386 | *4,406 | .. | ... |
| 1933 | 638,386 | *7,840 | .. | ... |

*Loss. Loss on real estate sales in 1933 amounted to $30,110; 1932, $2,630.

| Year | Total Assets $ | Reserve Funds $ | Liab. to Public $ |
|---|---|---|---|
| 1929 | 692,732 | 14,884 | 34,420 |
| 1930 | 711,220 | 14,884 | 47,967 |
| 1931 | 804,442 | ...... | 155,495 |
| 1932 | 797,944 | ...... | 156,035 |
| 1933 | 830,758 | ...... | 192,371 |

## Guelph & Ontario Investment & Savings Society

Guelph & Ontario Investment & Savings Society, Guelph, Ont., was incorporated in 1876, largely confines its operations to Guelph and district and has shown marked stability in earnings. The Society controls Guelph Trust Co.

Guelph & Ontario Investment & Savings Society had net profit of $84,155 in 1933 and after provision for taxes earned 7.5 per cent on paid up capital of $965,080 as compared with 10.4 per cent in 1932. Additional provision was made for contingencies by transferring $350,000 from reserve fund to investment reserve. This policy has been followed by a majority of financial institutions this year.

Public moneys entrusted to the company show a small increase over 1932 figures. Currency debentures outstanding total $2,454,006; sterling debentures, $67,168 and deposits, $904,187. Liquid position of the company has been strengthened and total of cash, government and municipal bonds amounts to 90 per cent of deposit liabilities.

Cash is shown at $161,646; Dominion bonds at $490,737 and municipal bonds at $178,394. Mortgages and agreements of sale are down to $3,531,109 from $3,861,957 while interest due and accrued is down to $131,999 from $145,147. Real estate held for sale has been reduced to $120,027 from $139,605. Investment in stock of Guelph Trust Co. is shown at $258,000.

**Officers**—G. D. Forbes, pres.; J. R. Howitt, 1st vice-pres.; W. E. Phin, 2nd vice-pres.; J. M. Purcell, man. dir.

**Directors**—G. D. Forbes, J. R. Howitt, W. E. Phin, J. R. Phin, J. J. Shaw, J. M. Purcell, R. L. Torrance, J. Armstrong.

**Earnings Record**

| Year | Paid-up Capital $ | Net Profits* $ | Div. Rate $ | Rate Earned $ |
|---|---|---|---|---|
| 1929 | 965,080 | 112,226 | 4 | 5.84 |
| 1930 | 965,080 | 112,600 | 4 | 5.81 |
| 1931 | 965,080 | 100,213 | 4 | 5.20 |
| 1932 | 965,080 | 100,889 | 3.75 | 5.20 |
| 1933 | 965,080 | 72,799 | 3 | 4.77 |

*Less taxes.

| Year | Total Assets $ | Reserve Funds $ | Liab. to Public $ |
|---|---|---|---|
| 1929 | 5,172,505 | 869,435 | 3,243,410 |
| 1930 | 5,279,621 | 869,435 | 3,350,132 |
| 1931 | 5,332,634 | 869,435 | 3,415,138 |
| 1932 | 5,301,507 | 869,435 | 3,385,829 |
| 1933 | 4,989,885 | 519,435 | 3,439,138 |

## Home Investment

Home Investment & Savings Association, Winnipeg, was established in 1892. Over 60 per cent of the company's investments and mortgages are loans on city properties. In 1933, $250,000 was transferred from General Reserve and $25,000 from undivided profits and allocated to reserves against investments and contingencies.

**Officers**—M. F. Christie, pres.; J. L. Bathgate, vice-pres.; W. E. Hobson, man. dir.; P. M. Bull, asst. mgr.; W. E. Nicholls, sec.

**Directors**—M. F. Christie, J. L. Bathgate, G. W. Allan, R. J. Gourlay, W. A. Matheson, E. H. Bennest, J. A. Flanders, W. E. Hobson, all of Winnipeg.

**Earnings Record**

| Year | Paid-up Capital $ | Net Profits* $ | Div. Rate $ | Earn. per sh. $ |
|---|---|---|---|---|
| 1929 | 995,928 | 71,144 | 5 | 7.14 |
| 1930 | 996,325 | 63,306 | 5 | 6.35 |
| 1931 | 996,400 | 53,056 | 4 | 5.32 |
| 1932 | 996,400 | 41,597 | 3 | 4.17 |
| 1933 | 996,400 | 37,421 | .. | 3.75 |

* After deducting taxes.

| Year | Total Assets $ | Reserve Funds $ | Liab. to Public $ |
|---|---|---|---|
| 1929 | 2,287,143 | 500,000 | 721,708 |
| 1930 | 2,251,342 | 500,000 | 700,971 |
| 1931 | 2,167,216 | 500,000 | 623,489 |
| 1932 | 2,057,999 | 500,000 | 551,039 |
| 1933 | 1,858,410 | 250,000 | 434,057 |

## Home Bldg. & Savings

Home Building and Savings Association, Ottawa, was originally incorporated in 1887 and is one of three Ontario companies which have terminating stock.

**Officers**—W. M. Ross, pres.; T. E. Clendinnen, vice-pres.; A. H. Fitzsimmons, mgr.

**Directors**—W. M. Ross, T. E. Clendinnen, R. A. Sproule, G. L. Snelling, S. G. Metcalfe, Dr. D. C. McLaren.

**Earnings Record**

| Year | Paid-up Capital $ | Net Profits $ | Div. Rate % | Rate Earn. % |
|---|---|---|---|---|
| 1928 | 60,303 | 1,505 | .. | 2.4 |
| 1929 | 53,487 | 1,336 | .. | 2.4 |
| 1930 | 45,184 | 1,203 | .. | 2.6 |
| 1931 | 46,850 | 1,196 | .. | 2.5 |
| 1932 | 40,991 | 919 | .. | 2.2 |

| Year | Total Assets $ | Reserve Funds $ | Mtge. and Real Est. Loans $ |
|---|---|---|---|
| 1928 | 129,059 | ...... | 86,211 |
| 1929 | 111,063 | 7,240 | 73,854 |
| 1930 | 100,764 | 7,565 | 69,812 |
| 1931 | 100,510 | 5,884 | 64,519 |
| 1932 | 82,438 | 5,225 | 53,774 |

Latest figures available.

## Hudson Bay Mtge. Co.

Hudson Bay Mortgage Co., Vancouver, B.C., was incorporated in British Columbia in 1926 to take over the Hudson Bay Mortgage Corp., which was originally incorporated in 1911. Dividends were omitted in 1932.

Practically all mortgage loans have been extended or are in arrears.

**Officers and Directors** — J. R. Seymour, pres.; A. Gonnason, vice-pres.; S. B. Smith, sec. and treas.; T. S. Annandale, R. Dowswell, D. Robertson.

**Earnings Record**

| Year | Paid-up Capital $ | Net Profits $ | Div. Rate $ | Rate Earn.‡ % |
|---|---|---|---|---|
| 1929 | 102,720 | 4,837 | 70c | 4.7 |
| 1930 | 102,720 | 4,828 | 70c | 4.7 |
| 1931 | 102,720 | 4,915 | 70c | 4.8 |
| 1932 | 102,720 | 4,412 | ... | 4.3 |
| 1933 | 102,720 | 3,242 | †50c | 3.1 |

* Paid on $62,200 of 7% preferred shares, par $10.

† Paid on $62,200 of $10 par value preference shares on account of 1931 operations.

‡ Earned on paid-up capital.

| Year | Total Assets $ | Reserve Funds $ | Mtge. & Real Est. Loans $ |
|---|---|---|---|
| 1929 | 112,469 | 3,464 | 96,650 |
| 1930 | 112,890 | 3,464 | 96,200 |
| 1931 | 113,426 | 3,439 | 97,100 |
| 1932 | 117,838 | 3,439 | 93,367 |
| 1933 | 113,970 | 3,439 | 92,421 |

Company has no liabilities to the public.

## Huron & Erie Mtge.

Huron & Erie Mortgage Corp., London, Ont., was incorporated in Ontario in 1864 and is one of the oldest and largest of Canadian loan companies. Liabilities to the public consist chiefly of currency debentures, of which there is $27,375,550 outstanding, while deposits total $8,958,935. Liabilities to the public showed some reduction in 1933.

The company has established substantial reserves against investments, which consist largely of mortgages on property located in Ontario and Western Canada. In 1933 $800,000 was credited to internal reserves leaving general reserve fund at $2,000,000. Stock of the company is listed on the Toronto Stock Exchange.

**Officers**—T. G. Meredith, pres.; Maj.-Gen. Hon. S. C. Mewburn, vice-pres.; M. Aylsworth, gen. mgr.; D. McEachern, sec.; C. J. Clarke, treas.; H. W. Givins, supt. of Western branches; R. H. Cronyn, asst. sec.; R. P. Baker, invest. exec.

**Directors**—T. G. Meredith, chm.; M. Aylsworth, H. E. Gates, G. H. Belton, N. R. Howden, Col. I. Leonard, V. P. Cronyn, London, Ont.; Maj.-Gen. Hon. S. C. Mewburn, Hamilton, Ont.; C. H. Houson, Chatham, Ont.

**Branch Offices**—London, Ont. (4); Toronto, Hamilton, St. Thomas, Windsor, Chatham, Winnipeg, Regina, Edmonton, Victoria and Vancouver.

**Earning Record**

| Year | Paid-up Capital $ | Net Profits* $ | Div. Rate $ | Rate Earned per sh. $ |
|---|---|---|---|---|
| 1929 | 5,000,000 | 507,088 | 8 | 10.14 |
| 1930 | 5,000,000 | 511,615 | 8 | 10.23 |
| 1931 | 5,000,000 | 400,490 | 8 | 8.01 |
| 1932 | 5,000,000 | 404,724 | 8 | 8.09 |
| 1933 | 5,000,000 | 353,384 | 6½ | 7.07 |

*After management expenses and all other charges, taxes, provision for actual losses, and amount written off office premises of $56,000 in 1933; $25,000 in 1932; $50,000, 1931; $25,000, 1930; $28,508, 1929 and $15,083 in 1928.

Dividend rate reduced from 8% to 7% per annum, April 1, 1933, to 6% Oct. 2, 1933.

| Year | Total Assets $ | Reserve Funds $ | Liab. to Public $ |
|---|---|---|---|
| 1929 | 48,918,042 | 2,700,000 | 36,039,536 |
| 1930 | 47,090,877 | 2,800,000 | 39,105,756 |
| 1931 | 47,806,697 | 2,800,000 | 39,821,086 |
| 1932 | 47,028,715 | 2,800,000 | 39,038,380 |
| 1933 | 45,949,270 | 2,000,000 | 38,755,601 |

## International Loan

International Loan Co. commenced business in 1913 with a Manitoba charter while the present company operates under a Dominion charter secured in 1920. Operations were originally confined to Manitoba then extended to Saskatchewan while a few loans have been made in Alberta. The company operates with money raised through sale of its shares which are sold on an installment basis. The company has no liabilities to the public.

**Officers**—H. F. M. Ross, pres.; A. Wishart, vice-pres.; G. W. Argue, man. dir.; C. Dick, sec.-treas.

**Directors**—G. W. Argue, H. F. M. Ross, J. H. Campbell, J. Hall, J. G. Schill, B. M. Gunn, A. Wishart, J. E. Burns, W. J. Wade, C. Dick.

**Earnings Record**

| Year | Paid-up Capital $ | Net Profits $ | Div. Rate % | Rate Earn. % |
|---|---|---|---|---|
| 1929 | 823,832 | 28,976 | 3 | 3.9 |
| 1930 | 855,163 | †30,921 | 3 | 3.8 |
| 1931 | 877,445 | †22,090 | 3 | 2.6 |
| 1932 | 894,503 | ...... | .. | .. |
| 1933 | 910,114 | 7,265 | 3 | 0.8 |

† After income tax and depreciation and loss on sale of foreclosed properties of $18,165 in 1933.

| Year | Total Assets $ | Reserve Funds $ | Mtge. and Real Est. Loans $ |
|---|---|---|---|
| 1929 | 1,064,483 | 179,411 | 975,730 |
| 1930 | 1,051,636 | 193,872 | 1,021,481 |
| 1931 | 1,084,457 | 204,460 | 1,074,426 |
| 1932 | 1,083,789 | 189,286 | 1,079,075 |
| 1933 | 1,093,175 | 187,802 | 1,082,765 |

Company has no liabilities to the public.

## Lambton Loan & Investment

Lambton Loan & Investment Co., Sarnia, Ont., is the oldest of Ontario loan companies, with a history extending back to 1847.

Reserve exceeds paid up capital although $150,000 was deducted in 1932 to set up a general investment reserve which is not shown in the 1933 statement.

**Officers**—N. S. Gurd, pres.; Col. R. Mackenzie, vice pres.; J. M. Hunt, mgr. and sec.-treas.

**Directors**—N. S. Gurd, Col. R. Mackenzie, C. H. Belton, A. J. Johnston, all of Sarnia; T. D'Arcy McGuire, Wallaceburg; A. G. Minielly, Watford; B. W. Fansher, Florence; H. Fraleigh, Forest.

**Earnings Record**

| Year | Paid-up Capital $ | Net Profits $ | Div. Rate % | Rate Earn. % |
|---|---|---|---|---|
| 1929 | 789,750 | 100,726 | 10+2 | 12.7 |
| 1930 | 789,750 | 95,160 | 10+2 | 12.0 |
| 1931 | 789,750 | 83,574 | 10 | 10.5 |
| 1932 | 789,750 | 67,384 | 8½ | 8.5 |
| 1933 | 789,750 | 37,768 | 4½ | 4.7 |

| Year | Total Assets $ | Reserve Funds $ | Liab. to Public $ |
|---|---|---|---|
| 1929 | 5,097,828 | 950,000 | 3,267,812 |
| 1930 | 4,923,324 | 950,000 | 3,092,917 |
| 1931 | 4,744,577 | 950,000 | 2,950,366 |
| 1932 | 4,623,844 | *950,000 | 2,837,275 |
| 1933 | 4,206,803 | 800,000 | 2,585,016 |

* Includes $150,000 general investment reserve.

## Landed Banking & Loan

Landed Banking & Loan Co., Hamilton, Ont., was incorporated in 1876. Mortgage investments are principally on properties in Hamilton and surrounding districts and in Manitoba. Some 66 per cent of liabilities to the public is in the form of savings deposits and the remainder in currency and sterling debentures.

In the past two years $150,000 has been transferred from reserve fund to contingency reserve to provide for depreciation on mortgages. The stock is listed on the Toronto Stock Exchange.

**Officers**—C. S. Scott, pres.; P. J. Myler, vice-pres.; H. M. Patterson, mgr.

**Directors**—C. S. Scott, P. J. Myler, A. V. Young, C. Mills, R. R. Bruce, Hon. G. Lynch-Staunton, all of Hamilton.

**Earnings Record**

| Year | Paid-up Capital $ | Net Profits* $ | Div. Rate $ | Rate Earn. per sh. $ |
|---|---|---|---|---|
| 1929 | 1,000,000 | 105,811 | 10 | 10.58 |
| 1930 | 1,000,000 | 91,635 | 10 | 9.16 |
| 1931 | 1,000,000 | 92,202 | 8 | 9.22 |
| 1932 | 1,000,000 | 78,792 | 8 | 7.87 |
| 1933 | 1,000,000 | 65,415 | 6 | 6.54 |

* After deducting interest, expenses and charges, and making provision for possible losses and contingencies and reserve for taxes.

Dividend rate reduced from 8% to 6% per annum, April 1, 1933.

| Year | Total Assets $ | Reserve Funds $ | Liab. to Public $ |
|---|---|---|---|
| 1929 | 4,370,305 | 1,180,000 | 2,144,206 |
| 1930 | 4,295,680 | 1,038,734 | 2,219,212 |
| 1931 | 4,250,170 | 1,025,535 | 2,189,699 |
| 1932 | 4,016,048 | 965,884 | 2,016,436 |
| 1933 | 3,909,612 | 954,061 | 1,921,407 |

## La Compagnie Foncier de Manitoba

Winnipeg

**Officers**—M. J. A. M. De La Giclais, pres.; H. Chevrier, vice-pres.; A. Griveau, sec. treas.

**Directors**—M. J. A. M. De La Giclais, H. Chevrier, L. De Galembert, Marquis De Polignac, G. H. Griffin, C. H. Bethmont, Henri Motte, B. E. Chaffey, T. Turnbull.

**Earnings Record**

| Year | Paid-up Capital $ | Net Profits* $ | Div. Rate % | Rate Earn. per sh. % |
|---|---|---|---|---|
| 1929 | 600,000 | 14,027 | 3 | 2.3 |
| 1930 | 600,000 | 6,919 | 1 | 1.1 |
| 1931 | 600,000 | 1,759 | .. | 0.2 |
| 1932 | 600,000 | .... | .. | .. |

| Year | Total Assets $ | Reserve Funds $ | Mtge. and Real Estate Loans $ |
|---|---|---|---|
| 1929 | 908,037 | 28,204 | 298,004 |
| 1930 | 775,452 | 28,724 | 240,078 |
| 1931 | 770,146 | 31,062 | 231,745 |
| 1932 | 776,355 | 28,819 | 233,014 |

Latest figures available.

## Midland Loan & Savings

Midland Loan & Savings Co., Port Hope, Ont., was originally incorporated in Ontario under the Building Societies Act in 1872. The company has shown marked stability in earnings, although there was some drop in net profits in 1932 and 1933. Mortgage loans are entirely on properties in Ontario. Total assets were slightly increased in 1933.

**Officers**—S. R. Caldwell, pres.; F. Rosevear, vice-pres.; W. J. Helm, mgr.

**Directors**—The above and A. M. Westington, W. H. Symons.

**Earnings Record**

| Year | Paid-up Capital $ | Net Profits $ | Div. Rate % | Rate Earned % |
|---|---|---|---|---|
| 1929 | 360,000 | 60,440 | 8+2 | 16.7 |
| 1930 | 360,000 | 60,632 | 10+2 | 16.8 |
| 1931 | 360,000 | 60,647 | 10+2 | 16.8 |
| 1932 | 360,000 | 55,321 | 10+1 | 15.3 |
| 1933 | 360,000 | 51,264 | 8½ | 14.2 |

| Year | Total Assets $ | Reserve Funds $ | Liab. to Public $ |
|---|---|---|---|
| 1929 | 3,020,094 | 465,000 | 2,128,458 |
| 1930 | 3,166,156 | 480,000 | 2,250,790 |
| 1931 | 3,293,485 | 480,000 | 2,395,457 |
| 1932 | 3,341,148 | 480,000 | 2,454,672 |
| 1933 | 3,347,721 | 480,000 | 2,464,450 |

## Montreal Loan & Mtge.

Montreal Loan & Mortgage Co., Montreal, was incorporated in Quebec in 1875 and has shown marked stability in net profits in recent years. Dividends slightly exceeded net profit in 1933. Liabilities to the public are chiefly in the form of currency debenture, and amount to less than paid-up capital, while reserve fund is 150 per cent of paid-up capital. Chief assets of the company are mortgages on real estate. The stock is listed on the Montreal Stock Exchange.

**Officers**—G. Caverhill, pres.; W. E. Bolton, vice-pres.; R. A. Kydd, mgr.

**Directors**—G. Caverhill, W. E. Bolton, H. Raine, G. R. Caverhill, W. B. Blackader, all of Montreal.

**Earnings Record**

| Year | Paid-up Capital $ | Net Profits $ | Div. Rate $ | *Rate Earned per sh. $ |
|---|---|---|---|---|
| 1929 | 600,000 | 87,526 | 3+.25 | 3.65 |
| 1930 | 600,000 | 87,993 | 3+.25 | 3.67 |
| 1931 | 600,000 | 88,109 | 3+.25 | 3.67 |
| 1932 | 600,000 | 79,641 | 3+.25 | 3.32 |
| 1933 | 600,000 | 73,324 | 3+.25 | 3.06 |

| Year | Total Assets $ | Reserve Funds $ | Liab. to Public $ |
|---|---|---|---|
| 1929 | 2,066,061 | 900,000 | 516,426 |
| 1930 | 2,164,541 | 900,000 | 604,913 |
| 1931 | 2,127,910 | 900,000 | 558,173 |
| 1932 | 2,140,544 | 900,000 | 569,166 |
| 1933 | 2,123,132 | 900,000 | 566,813 |

## Mortgage Corp. of N.S.

Mortgage Corp. of Nova Scotia, Halifax, started business in 1901 under a Dominion charter. Net profit has been maintained well in excess of current dividend rate of $7 per share. Reserve has been increased each year.

**Officers and Directors**—
A. H. Whitman, pres.; A. MacKinlay, vice-pres.; C. R. Chipman, man. dir.; N. C. Mitchell, J. R. Corston.

**Earnings Record**

| Year | Paid-up Capital $ | Net Profits* $ | Div. Rate $ | Rate Earn. $ |
|---|---|---|---|---|
| 1929 | 680,000 | 66,800 | 6 | 9.82 |
| 1930 | 680,000 | 68,921 | 6 | 10.13 |
| 1931 | 680,000 | 67,050 | 7 | 9.86 |
| 1932 | 680,000 | 64,214 | 7 | 9.44 |
| 1933 | 680,000 | 59,506 | 7 | 8.75 |

* After all cost of management, interest, taxes and directors' remuneration and provision for possible loss on real estate.

| Year | Total Assets $ | Reserve Funds $ | Liab. to Public $ |
|---|---|---|---|
| 1929 | 1,981,319 | 267,000 | 659,574 |
| 1930 | 2,128,781 | 292,000 | 808,721 |
| 1931 | 2,218,393 | 312,000 | 865,672 |
| 1932 | 2,205,791 | 330,000 | 851,938 |
| 1933 | 2,180,094 | 340,000 | 812,273 |

## Niagara Falls Bldg., Savings & Loan

Niagara Falls Building, Savings & Loan Association, Niagara Falls, Ont., was originally incorporated in 1887 and operations of the company are limited to the County of Welland. This is one of three terminable stock companies remaining in operation in Ontario.

**Officers**—J. Muir, pres.; J. Harriman, vice-pres.; B. M. Benson, sec.-treas.

**Directors**—J. Muir, J. Harriman, W. S. Byers, F. W. Swannell, Jos. Cadham, B. M. Benson.

**Earnings Record**

| Year | Total Assets $ | Reserve Funds $ | Mtge. and Real Est. Loans $ |
|---|---|---|---|
| 1929 | 2,519,735 | 98,000 | 2,516,280 |
| 1930 | 2,707,909 | 97,000 | 2,704,390 |
| 1931 | 2,646,509 | 97,000 | 2,583,230 |
| 1932 | 2,379,261 | 96,000 | 2,210,650 |

Latest figures available.

## Northern Mortgage Co.

Northern Mortgage Co. of Canada, Winnipeg, is in process of liquidation but due to prevailing conditions, realization on assets has been slow. Since liquidation started $36 per share has been paid, leaving capital at $14 per share, of which $5 is permanent and $9 is distributable when realized.

**Officers and Directors**—
R. T. Riley, pres.; N. J. Breen and P. C. Shepherd, vice-pres.; J. H. Riley, mgr.; C. R. Vincent, sec.; G. W. Allan, W. H. Malkin, Capt. W. Robinson, C. S. Riley, F. W. Stobart, J. H. Turnbull, D. K. Elliott.

**Earnings Record**

| Year | Paid-up Capital $ | Net Profits $ | Div. Rate % | Rate Earned % |
|---|---|---|---|---|
| 1929 | 150,000 | 20,197 | 1 | ... |
| 1930 | 150,000 | 12,541 | 50c | ... |
| 1931 | 150,000 | *6,213 | . | ... |
| 1932 | 150,000 | *7,877 | . | ... |
| 1933 | 150,000 | *2,691 | . | ... |

*Loss.

| Year | Total Assets $ | †Reserve Funds $ | Mtge. & Real Est. Loans $ |
|---|---|---|---|
| 1929 | 978,699 | 300,000 | 445,322 |
| 1930 | 806,565 | 300,000 | 381,725 |
| 1931 | 753,809 | 300,000 | 294,788 |
| 1932 | 757,048 | 307,503 | 260,714 |
| 1933 | 724,053 | 275,808 | 253,750 |

†For loss on loans and real estate. In 1933 the auditors stated their belief that this reserve was too low.

Company has no liabilities to the public.

## Northern Canadian Mortgage Co.

Northern Canadian Mortgage Co., Winnipeg, has experienced a sharp reduction in net profits. The company has no liabilities to the public. Capital structure was reorganized in 1931 at which time $121,566 was added to reserve for depreciation on mortgages and $97,409 was provided for depreciation on real estate.

**Officers**—G. W. Northwood, pres.; T. L. Hartley, vice-pres.; J. H. Peace, sec.

**Directors**—G. W. Northwood, W. T. Gwyn, A. L. Denison, T. L. Hartley.

**Earnings Record**

| Year end. Mar. 31 | Paid-up Capital $ | Net Profits $ | Div. Rate $ | Rate Earned $ |
|---|---|---|---|---|
| 1929 | 650,851 | 41,683 | 2.50 | 3.20 |
| 1930 | 671,485 | 36,596 | 2.50+*1.50 | 2.73 |
| 1931 | †448,873 | ‡207,695 | .... | .... |
| 1932 | †453,776 | 17,094 | §1.12½ | §1.27 |
| 1933 | †452,676 | ‡1,856 | .... | .... |

†Preferred and common stock.

*Regular payment of 5% plus initial half-yearly payment of 3%.

‡Deficit. §On preferred.

| Year end. Mar. 31 | Total Assets $ | Reserve Funds $ | Mtge. & Real Est. Loans $ |
|---|---|---|---|
| 1929 | 783,896 | 20,000 | 529,562 |
| 1930 | 729,854 | ...... | 560,741 |
| 1931 | 732,496 | ...... | 497,061 |
| 1932 | 729,688 | ...... | 454,628 |
| 1933 | 707,007 | ...... | 363,890 |

Company has no liabilities to the public.

## North of Scotland Canadian Mortgage Co.

North of Scotland Canadian Mortgage Co was originally incorporated in 1875 and at May 15, 1933, had total assets of £1,838,707. Head office of the company is in Aberdeen, Scotland, but chief income is derived from mortgage loans on Canadian property. Earnings fell off sharply in the year ended May 16, 1932, and calls were made on shareholders. An arrangement was concluded with creditors whereby payments would be extended.

**Officers**—Col. G. Milne, chm., Osler, Hammond & Nanton, gen. mgrs. in Canada; W. Johnston, sec., Scotland.

**Directors**—Col. G. Milne, Rt. Hon. Earl of Caithness, J. Mearns, H. J. Kinghorn, G. Robb, Aberdeen; Directors appointed by debenture stockholders: A. T. Cruickshank, R. B. Masson, Aberdeen; General advising board in Canada: D. H. Laird and D. C. Coleman, Winnipeg.

**Earnings Record**

| Year end. May 15 | Paid-up Capital £ | Net Profits† £ | Div. Rate % | Rate Earned per sh. % |
|---|---|---|---|---|
| 1929 | 276,000 | 46,879 | 15 | 17.7 |
| 1930 | 276,000 | 44,551 | 15 | 16.1 |
| 1931 | 276,000 | 40,403 | 10 | 14.6 |
| 1932 | 276,000 | *2,391 | 2½ | .... |
| 1933 | 450,728 | *24,782 | .. | .... |

*Loss. †After deducting provision for taxes.

| Year | Total Assets (In Canada) £ | Reserve Fund £ | Mortgages on Real Estate (In Canada) £ |
|---|---|---|---|
| 1929 | 1,910,945 | 400,000 | 1,726,189 |
| 1930 | 1,934,887 | 400,000 | 1,822,000 |
| 1931 | 1,882,365 | 400,000 | 1,756,257 |
| 1932 | 1,811,568 | 300,000 | 1,662,378 |
| 1933 | 1,718,410 | 231,092 | 1,632,265 |

## Nova Scotia Savings, Loan & Building Society

Nova Scotia Savings, Loan & Building Society, Halifax, was established in 1850 and its operations are confined chiefly to Nova Scotia, although some mortgage loans are made in New Brunswick. Liabilities to the public are chiefly in the form of currency debentures. The company is purely a mutual society. Every mortgagor or subscription or paid-up shareholder participates in benefits and therefore no dividends are paid.

The company reported increased receipts during 1933 and ended the year with total assets of $3,288,217 as compared with $3,140,758 in 1932. Receipts, at $1,372,586, represented an increase of $97,000 over 1932 receipts due chiefly to payments on shares being up to $837,249 from $729,630. Deposit receipts dropped to $58,292 from $94,394 and debentures issued dropped to $322,600 from $406,748.

Advances to shareholders on mortgage security increased to $524,036 from $372,179 in 1932 while withdrawal of shares dropped to $190,367 from $258,837 and amount repaid on debentures was down to $327,144 from $378,206.

The balance sheet shows mortgage loans are up to $2,999,150 from $2,962,073; real estate held for sale is up to $39,125 from $2,150. Investment in Dominion and provincial bonds is $141,587 and cash $93,403 while deposits with the company are up to $130,226 from $118,323. Paid up and monthly subscription shares are shown at $1,563,072.

**Officers**—Hector McInnes, pres.; A. B. Wiswell, vice-pres.; F. A. Lane, sec. and treas.

**Directors**—H. McInnes, A. B. Wiswell, H. Oxley, Hon. J. F. Fraser, W. Mitchell.

| Year* | Total Assets $ | Reserve Funds $ | Liab. to Public $ |
|---|---|---|---|
| 1929 | 2,366,854 | 252,000 | 849,679 |
| 1930 | 2,479,984 | 268,000 | 853,529 |
| 1931 | 2,843,238 | 284,000 | 1,089,370 |
| 1932 | 3,115,588 | 305,000 | 1,281,210 |
| 1933 | 3,140,758 | 305,000 | 1,328,127 |
| 1934 | 3,288,216 | 306,000 | 1,399,483 |

*Fiscal year ends January 31.

## Ontario Loan & Debenture

Ontario Loan & Debenture Co., London, Ont., was incorporated in 1870. The company has a good liquid position with cash and liquid securities amounting to 161 per cent of deposit liabilities. Mortgage investments are chiefly on city residences in Ontario. On these loans interest arrears amounted to less than 1 per cent at the end of 1933.

**Officers**—Archibald McPherson, pres.; T. H. Main, vice-pres. & mgr.; J. P. Dewan, asst. mgr.; F. E. A. McKellar, accountant.

**Directors** — Archibald McPherson, A. T. Little, T. H. Main, J. McClary Gunn, O. R. Moore, E. E. Reid, all of London, Ont.

**Earnings Record**

| Year | Paid-up Capital* $ | Net Profits† $ | Div'd Paid $ | Earned per $50 sh.‡ $ |
|---|---|---|---|---|
| 1929 | 1,750,000 | 304,757 | 6 | 8.71 |
| 1930 | 2,000,000 | 290,558 | 6 | 7.76 |
| 1931 | 2,000,000 | 277,841 | 6 | 6.95 |
| 1932 | 2,000,000 | 267,386 | 6 | 6.68 |
| 1933 | 2,000,000 | 252,011 | 6 | 6.30 |

*Par value of share $50.

†After payment of provincial and municipal taxes, interest, expenses and charges, and after making provision for possible losses and contingencies and income tax.

‡Based on fully paid-up capital since 1931; on average paid-up capital approximately $1,875,000 in 1930 and on capital stock paid-up of $1,750,00 in prior years.

| Year | Total Assets $ | Reserve Funds $ | Liab. to Public $ |
|---|---|---|---|
| 1929 | 11,611,170 | 3,000,000 | 6,758,975 |
| 1930 | 12,784,963 | 3,200,000 | 7,483,087 |
| 1931 | 13,644,183 | 3,200,000 | 8,310,640 |
| 1932 | 13,661,948 | 3,200,000 | 8,325,328 |
| 1933 | 14,167,048 | 3,200,000 | 8,822,830 |

## Societe de Prets et Placements

Société de Prets et Placements, Quebec, invests chiefly in mortgages and liabilities to the public are comparatively small.

Quebec

**Officers**—H. D. Barry, pres.; Y. Montreuil, vice-pres.; J. P. Dionne, sec.; G. LaRoche, treas.

**Directors**—H. D. Barry, G. P. Chateauvert, Y. Montreuil, J. L. Morency, J. A. Grenier.

**Earnings Record**

| Year | Paid-up Capital $ | Net Profits $ | Div. Rate % | Rate Earned % |
|---|---|---|---|---|
| 1929 | 800,000 | 77,622 | 8+1 | 10.0 |
| 1930 | 800,000 | 73,913 | 8+1 | 9.2 |
| 1931 | 800,000 | 72,877 | 8+1 | 9.1 |
| 1932 | 800,000 | 5,456 | 5½ | 0.6 |

| Year | Total Assets $ | Reserve Funds $ | Mtge. & Real Est. Loans $ |
|---|---|---|---|
| 1929 | 1,681,763 | 570,000 | 1,643,087 |
| 1930 | 1,644,629 | 570,000 | 1,553,891 |
| 1931 | 1,615,059 | 570,000 | 1,499,970 |
| 1932 | 1,586,858 | 556,914 | 1,159,086 |

Latest figures available.

## Provident Investment

Provident Investment Co., Toronto, was incorporated in 1893. Public interest in the company is very small.

Toronto

**Officers and Directors**—A. H. Cox, pres.; H. K. Cox, vice-pres.; N. L. Tolman, sec.; R. G. Roberts, H. C. Cox, W. J. Hastie.

| Year | Total Assets $ | Paid-up Capital $ | Liab. to Public $ |
|---|---|---|---|
| 1928 | 203,845 | 100,000 | 91,588 |
| 1929 | 270,580 | 100,000 | 159,665 |
| 1930 | 260,677 | 100,000 | 158,926 |
| 1931 | 225,449 | 100,000 | *90,705 |
| 1932 | 260,524 | 100,000 | 160,477 |

* Less mortgages and accrued interest.
Latest figures available.

THE TORONTO MORTGAGE CO.
13 TORONTO STREET, TORONTO
THOMAS H. WOOD, President
A. M. M. KIRKPATRICK, Vice-President
WALTER GILLESPIE, Manager
Present Cash Value of Total Assets - - - $5,054,200.00
Surplus, Over all Liabilities to Public - - - $2,281,850.00
3% Allowed on Savings Deposits, Withdrawable by Cheque.
4¾% Paid on Debentures in all Denominations for two to five years.
LEGAL INVESTMENT FOR TRUST FUNDS
First Mortgage Money to loan on modern solid brick dwellings, in good residential districts. Prompt service.

Head Office — Montreal
CREDIT FONCIER FRANCO-CANADIEN
Established in 1880
Capital and Reserves $28,044,000.00
Assets $51,686,039.00
R. de Roumefort
General Manager
J. Theo. Leclerc
Manager
Marcel Pasquin
Manager
Armand Chevalier
General Secretary
Head Office, Montreal
Branches:
Quebec Toronto Winnipeg
Regina Edmonton Vancouver

MONTREAL TRUST COMPANY
ESTABLISHED 1889
Montreal Toronto
Winnipeg Edmonton Halifax Vancouver
St. John's, Nfld. London, Eng.
BOARD OF DIRECTORS
SIR HERBERT S. HOLT, - - - - - President
HON. A. J. BROWN, K.C., Vice-President
F. G. DONALDSON, - - - General Manager
ROBERT ADAIR GORDON W. MacDOUGALL, K.C.
J. E. ALDRED A. D. MACTIER
WILLIAM F. ANGUS C. B. McNAUGHT
C. H. CARLISLE JOHN C. NEWMAN
GEORGE CAVERHILL J. S. NORRIS
W. H. COVERDALE HUGH PATON
HON. R. DANDURAND F. W. ROSS
G. H. DUGGAN PAUL F. SISE
A. E. DYMENT JULIAN C. SMITH
ANDREW P. HOLT HON. SMEATON WHITE
MORRIS W. WILSON
61 YONGE ST., TORONTO
HEAD OFFICE
511 PLACE d'ARMES, MONTREAL
PAID-UP CAPITAL AND RESERVE $4,500,000.

Seven decades of progress
| | Deposits | Debentures | Assets |
|---|---|---|---|
| 1873 | $400,000 | Nil | $1,260,000 |
| 1883 | 900,000 | $240,000 | 2,580,000 |
| 1893 | 1,200,000 | 2,500,000 | 5,900,000 |
| 1903 | 1,600,000 | 3,900,000 | 8,000,000 |
| 1913 | 1,900,000 | 8,600,000 | 15,200,000 |
| 1923 | 6,100,000 | 13,700,000 | 26,800,000 |
| 1933 | 8,900,000 | 29,100,000 | 45,900,000 |
The Huron&Erie
MORTGAGE CORPORATION
Branches in 5 Provinces
LONDON (4 offices) TORONTO
HAMILTON
WINDSOR ST. THOMAS
CHATHAM
WINNIPEG REGINA
EDMONTON
VANCOUVER VICTORIA

Head Office:
LONDON, ONT.

**The British Mortgage and Trust Corporation of Ontario**

Founded in 1877

STRATFORD, ONTARIO

◆ ◆ ◆

Paid Up Capital $1,000,000.00
Reserves . . . . $825,000.00

3½% on Trust Deposits
5% on Guaranteed Investment Certificates

Hon. Nelson Monteith, President — W. H. Gregory, Managing Director

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**WHERE SAVINGS EARN 3½%**

ONE dollar is sufficient to open a savings account with the Capital Trust. Regular deposits, however small, with interest at 3½%, soon count up to appreciable sums. Deposit, or withdraw by cheque, through the mail or at our nearest office.

**CAPITAL TRUST**
Corporation Limited
MONTREAL OTTAWA TORONTO

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**GUELPH and ONTARIO**
Investment and Savings Society
Incorporated A.D. 1876

Deposits Received — Debentures Issued

GEORGE D. FORBES, President — J. M. PURCELL, Managing Director

*Head Office:* GUELPH, ONTARIO

**THE GUELPH TRUST CO.**
W. E. PHIN, *President*

is under the same management and acts as Executor, Administrator, Trustee, etc.

*Head Office:* GUELPH, ONTARIO

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*Group Action—*

**THE ORDER OF THE DAY**

ON every hand, in agriculture, industry, trade and business generally, there is a marked trend towards group action and cooperation to bring about results.

In personal affairs this trend is illustrated by the increasing number of men who are appointing corporate executors to settle their estates under their wills.

Many of the decisions which executors make are of a routine nature. Many more—such as those in connection with the disposal or retention of investments, the sale of real estate, the closing out of business interests—call for the group judgment of especially trained minds—obtainable through the services of a corporate executor.

Our experience in work of this character, as you probably know, extends over many years. We invite you to make use of it for the benefit of your heirs.

**Crown Trust Company**
EXECUTORS TRUSTEES — FINANCIAL AGENTS
393 St. James Street West - - Montreal

# TRUST FIRMS SHOW GROWTH IN BUSINESS

## Value of Specialized Services Generally Recognized

## CHARGES MODERATE

### Fees and Commissions Represent 59 p.c. of Income of Ontario Trust Companies

One of the noteworthy features of the annual statements of trust companies for 1933 has been the increases reported in the volume of estates, trusts and agencies under administration. This increase reflects the growth in appreciation by the public of the varied services that the trust companies are empowered and equipped to perform. Trust companies registered in Ontario derive some 59 per cent of their entire revenue from agency fees and commissions so that growth in the number and volume of estates, trusts and agencies under administration is a matter of direct interest to shareholders. Yet the fees that are charged are either set by the courts or kept low by competition and are very moderate.

At the end of 1932 trust companies reporting to the Registrar of Loan Corporations in Ontario showed $2,056,781,902 in estates, trusts and agency funds. This branch of the business has shown continuous growth and in 1921 the corresponding total was only $634,255,996. And in 1926, $934,025,532. Revenue from agency fees and commissions earned in 1932 was $5,960,873 or 59 per cent of total income.

### Growth is Continuous

Growth in estates trusts and agency business has been as follows:

Estates, Trusts and Agency Funds Administered by Trust Companies Registered in Ontario

| | $ |
|---|---|
| 1924 | 823,375,326 |
| 1925 | 871,451,148 |
| 1926 | 934,025,532 |
| 1927 | 1,040,626,527 |
| 1928 | 1,267,541,413 |
| 1929 | 1,627,880,219 |
| 1930 | 1,867,622,452 |
| 1931 | 1,961,141,255 |
| 1932 | 2,056,781,902 |

### Offer Many Services

The functions of trust companies are extremely varied and the larger and longer established companies have built up highly specialized departments to take care of the work involved. This specialization increases the value of the services rendered and with public realization of this fact business of the trust companies has expanded. The trust companies are empowered to act as executors, or administrators of estates of deceased persons, as trustee under bond mortgage or trustee under insurance and other trust agreements and as transfer agents and registrars of stocks of other companies. Generally they may act in any lawful fiduciary capacity.

They may accept deposits from the public as do the loan companies but profit of all Ontario companies from this source amounts to less than 15 per cent of total income as compared with the 59 per cent from estates trusts and agencies. During 1933 Ontario trust companies increased deposits to $44,705,440 from $41,142,960 at the end of 1932. Specific and guaranteed funds decreased by almost the same amount.

The fees that the trust company can collect from its services as executor or administrator of an estate are fixed by the court and depend upon the amount of work involved. In Ontario the fees may vary between 2½ per cent and five per cent. The revenue from estates, trusts and agency business is fairly stable although it is affected by change in the size of estates due to fluctuation in security and other values as well as change in the volume of stock transfer business.

The consolidated income and expenditure statement and balance sheet of the 28 trust companies registered in Ontario as at the end of 1932 is as follows:

Summary of Income and Expenditure, 1932, of 28 Trust Companies Operating in Ontario

| | $ |
|---|---|
| **Income:** | |
| Rents earned | 236,808 |
| Interest earned on bonds, etc. | 2,279,494 |
| Profit on sale of investments | 25,096 |
| Amount transferred from investment reserve | 13,630 |
| Profit on gtd. funds | 1,436,540 |
| Agency fees & commissions earn. | 5,960,873 |
| All other revenue | 177,133 |
| Total | 10,129,575 |
| **Expenditure:** | |
| Interest incurred | 201,707 |
| Loss on sale of investments | 30,032 |
| Written off ledger val. of assets | 179,430 |
| Licenses and taxes | 521,636 |
| Commissions | 4,988 |
| Transferred to investment reserve | 2,308,809 |
| All other expenses | 6,614,697 |
| Profit and loss | 268,276 |
| Total | 10,129,575 |

Consolidated Assets and Liabilities of 28 Trust Companies Operating in Ontario

| CAPITAL FUNDS— | $ | % |
|---|---|---|
| **Assets:** | | |
| Premises | 5,865,394 | 10.17 |
| Real estate held for sale | 4,221,701 | 7.32 |
| Mtges. on real estate & agreements of sale | 19,054,522 | 33.04 |
| Loans on stocks & bonds | 2,790,322 | 4.84 |
| Government bonds | 5,949,017 | 10.31 |
| Govt. gtd. bonds | 765,935 | 1.31 |
| Municipal bonds | 1,955,618 | 3.39 |
| All other bonds | 5,306,245 | 9.20 |
| Stocks | 4,580,938 | 7.94 |
| Cash | 2,321,866 | 4.08 |
| All other assets | 4,872,877 | 8.45 |
| Total capital assets | 57,675,437 | 100.00 |
| **Liabilities:** | | |
| To the public: | | |
| Money borrowed fr. banks | 8,432,764 | .... |
| Divds. declared & unpaid | 527,582 | .... |
| All other liabilities | 2,496,729 | .... |
| Total | 11,457,075 | 19.86 |
| To Shareholders: | | |
| Capital stock | 26,894,456 | .... |
| Res. fund & conting. res. | 17,601,054 | .... |
| Profit & loss | 1,722,852 | .... |
| | 46,218,362 | 80.14 |
| Grand total | 57,675,437 | 100.00 |

| GUARANTEED FUNDS— | $ | % |
|---|---|---|
| **Assets:** | | |
| Mtges on real estate & agreements of sale | 75,548,242 | 58.35 |
| Loans on stocks & bonds | 22,300,989 | 17.22 |
| Government bonds | 6,837,145 | 5.28 |
| Govt. gtd. bonds | 4,522,863 | 3.49 |
| Municipal bonds | 10,928,229 | 8.44 |
| All other bonds | 2,061,070 | 1.59 |
| Cash | 6,900,177 | 5.34 |
| All other assets | 375,354 | .29 |
| Total assets | 129,474,068 | 100.00 |
| **Liabilities:** | | |
| Deposits | 41,142,961 | 31.78 |
| Specific gtd. funds | 16,872,553 | 13.03 |
| General gtd. funds | 71,327,918 | 55.09 |
| Due to company funds | 136,636 | .10 |
| Total liabilities | 129,474,068 | 100.00 |
| Estates, trusts and agency funds | | 2,056,781,902 |

# Trustee Invaluable In Partnership Insurance

## Impartial Professional Trustee Carries Out Terms of Definite Written Agreement — Eliminates Confusion

By R. M. HAULTAIN

In previous articles we have considered the various grounds for the creation of business insurance trust agreements and the various situations such agreements are intended to meet. We have found that when the death occurs of one member of a group controlling and operating a business concern, difficulties are almost certain to arise. We have considered the nature of the difficulties and the plans that may be made to meet them in different circumstances.

It remains, therefore, to consider the methods by which such plans, when decided on, may put in operation and the machinery by which the transactions contemplated may be carried out. For this purpose it may be opportune to summarize briefly the general objects of business insurance agreements so that these objects may be kept constantly in mind when working out the details of the documents implementing them. Stated in general terms these objects are:

(1) To perpetuate the existing management of the business and to prevent it becoming embarrassed by the introduction of interests foreign to the enterprise.

(2) To ensure that the interest of a deceased partner or shareholder will, in the event of his death, be readily realizable by his executors at a fair price.

(3) To provide the funds necessary to achieve the first two objects.

### Certainty is Keynote

It will be observed that the keynote of these agreements is the substitution of certainty for uncertainty and of a clear-cut business arrangement for the confusion that death so often causes. The simpler the arrangement and the more automatically it can be made to function the better adapted it will be to achieve the ends it is intended to serve. It is, therefore not enough that there should be some sort of general understanding among the interested parties that may when the occasion arises turn out to be more of a misunderstanding and that will only be the cause of protracted negotiations, or even possibly of disputes and litigation. What is needed is a positive definite agreement in writing embodying the intention of the parties and in which can be incorporated machinery that will operate at once when the occasion arises and makes sure that the agreement is actually carried out as originally contemplated.

### Trust is Best Medium

The most popular type of machinery and the one that appears best adapted to the purpose is the trust. Under this arrangement the policies of insurance on the lives of the parties are made payable to a trustee—usually a trust company—with no interest in the transaction except to see that it is carried out as agreed—whose duty it would be in the event of the death of any of the parties to collect the proceeds of the policy or policies on his life, to pay them over to his executors on the completion of the transfer of the interest held by him at the time of his death.

When such interest takes the form of shares of an incorporated company it is not unusual to have the shares, as well as the insurance policies, assigned to the trustee to avoid any possibility that these shares may, in the event of the death of any party, be found to have been assigned or encumbered in some way that might constitute an impediment to the transaction contemplated by the agreement. This precaution is generally adopted in the United States but is not so usual in Canada because the companies whose shares are covered by agreement of this kind are usually "private" companies whose shares cannot be transferred without the consent of the board of directors.

### Guarantees Agreement

Unless the policies are assigned to a trustee charged with the responsibility of seeing that the agreement is carried out, there is obviously no guarantee that the proceeds of the policy will in fact be paid to the deceased's estate as intended. The proceeds if collected by the surviving parties might be seized by their creditors or converted by the parties to their own use. Possibilities of this kind may, however, seem somewhat extreme since they could hardly arise without an element of bad faith unlikely to exist among those who have been closely associated in business over a period of years.

Less improbable is the chance that in the event of the death of one of the parties a feeling may arise that his estate is receiving under the terms of the agreement an exceptionally good price for his interest. When this feeling exists there is always the possibility that matters may be delayed and negotiations commenced in an attempt to persuade the deceased's executors to modify the terms of the agreement, and when no trustee is interposed to protect their interests it is not improbable that, rather than become embroiled in a dispute, the heirs may be induced to grant concessions.

Similarly if the heirs feel that the price fixed by the agreement at which the deceased's interest is to be acquired by the surviving parties is not high enough they may attempt to induce the surviving parties to revise it. In either event the main purpose and intent of the agreement is defeated and with it one of its subsidiary objects namely that a clean-cut agreement should exist between the parties that will avoid the worry and confusion of protracted negotiations between the surviving parties and the heirs of the deceased.

### Advantage of Trust Company

Once the appointment of a trustee is decided on, the advisability of selecting a trust company, rather than a private individual, is usually self-evident. Even if an individual could be found ready and competent to carry out the duties of trustee there would be no guarantee that he would be alive or able to carry out such duties when they finally had to be performed. He might, moreover, be subject to influence either one way or the other according to his sympathies or personal inclinations. Should a personal trustee die during the currency of the agreement there would be the further difficulty of having his successor appointed and obtaining a transfer from the deceased's executors of the policies and shares standing in his name. On the whole the service of the trust company in carrying out the arrangement would seem to be well worth the remuneration paid to the company which in any event is not likely to be more than a small percentage on the money passing through its hands

A lawyer skilled in agreement draftsmanship clarifies doubtful points by interpreting your wishes to the trustee through the medium of the agreement.

This is article twelve of the second series on Business Insurance written for The Financial Post by R. M. Haultain. The next article of this series of eighteen will discuss four alternative methods of valuing the deceased's interest for business insurance trust agreement purposes.

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**Errata.** In article 11 of this series (March 17, 1934) substitute as follows: (1) At end of para, beginning "You are a manufacturer" the figure $100 should be $1,000. (2) In para. beginning "Assuming that you wish," substitute $51,000 for $41,000. In same sentence, for "your interest" substitute "the business."

## LOAN COMPANIES

### Real Estate Loan

Real Estate Loan Company of Canada, Toronto, which was originally incorporated in 1877. Liabilities to the public are chiefly in the form of sterling debentures and have shown but slight reduction in the past year. Capital and reserve of the company exceed liabilities to the public. Assets of the company are chiefly invested in first mortgages chiefly on properties in Manitoba and Ontario. Stock is listed on the Toronto Stock Exchange.

**Officers**—H. W. Aikins, pres.; E. P. Beatty, vice-pres.; C. A. Morris, man. dir.

**Directors**—H. W. Aikins, C. T. Morris, E. P. Beatty and M. A. Mackenzie, all of Toronto; Hon. Lendrum McMeans, Winnipeg.

Earnings Record

| Year | Paid-up Capital $ | Net Profits $ | Div. Rate $ | Rate Earn. per sh. $ |
|---|---|---|---|---|
| 1929 | 500,000 | 41,405 | 7 | 8.28 |
| 1930 | 500,000 | 44,423 | 7 | 8.88 |
| 1931 | 500,000 | 38,802 | 7 | 7.76 |
| 1932 | 500,000 | 44,081 | 7 | 8.81 |
| 1933 | 500,000 | 32,640 | 5 | 6.52 |

| Year | Total Assets $ | Reserve Funds $ | Liab. to Public $ |
|---|---|---|---|
| 1929 | 1,609,396 | 300,000 | 779,303 |
| 1930 | 1,640,362 | 310,000 | 805,377 |
| 1931 | 1,647,992 | 310,000 | 815,886 |
| 1932 | 1,649,099 | 310,000 | 816,598 |
| 1933 | 1,613,529 | 295,000 | 803,424 |

### Société Nationale de Fiducie

Société Nationale de Fiducie of Montreal started business in 1918 and now has total assets of $12,618,913. Earnings were substantially increased in 1932 but were lower in 1933. Dividend rate has been maintained.

**Officers**—V. Morin, pres.; Guy Vanier, 1st vice pres.; J. V. Desaulniers, 2nd vice-pres., directing mgr. and sec.; H. Ouimet, asst. mgr. and asst. sec.

**Directors** — V. Morin, G. Vanier, J. V. Desaulniers, Hon. C. Laurendeau, J. Pelletier, J. A. Bariteau, N. Doré, A. Lachapelle, H. Cypihot.

| Year | Paid-up Capital $ | Net Profits $ | Div. Rate % | Rate Earn. % |
|---|---|---|---|---|
| 1929 | 105,000 | 18,312 | 10 | 17.4 |
| 1930 | 112,500 | 31,167 | 10 | 28.6 |
| 1931 | 120,000 | 26,672 | 10 | 23.2 |
| 1932 | 125,000 | 43,272 | 10 | 34.6 |
| 1933 | 125,000 | 31,946 | 10 | 25.5 |

| Year | Guar. Account $ | Estates under Adminis. $ | Total Reserves $ |
|---|---|---|---|
| 1929 | 104,414 | 7,650,619 | *153,932 |
| 1930 | 149,807 | 8,391,440 | 140,000 |
| 1931 | 213,568 | 10,866,563 | 140,000 |
| 1932 | 230,896 | 11,249,843 | 150,000 |
| 1933 | 305,916 | 11,800,250 | 150,000 |

* Surplus and reserves.

### Sask. Loan & Investment

Saskatchewan Loan & Investment Co., Moose Jaw, Sask., has been in operation since 1911. Investments are entirely in mortgages, contracts receivable and real estate. The company has $14,844 of permanent stock and $350,350 of accumulative permanent stock.

**Officers**—E. N. Hopkins, pres.; J. H. Grayson, vice-pres.; W. D. McIntyre, sec.

**Directors**—E. N. Hopkins, J. H. Kern, J. H. Grayson, J. D. Fraser, J. Thomson, J. C. Poyser, J. A. McCartney, C. D. Grayson, W. P. Johnson, all of Moose Jaw.

| Year | Paid-up Capital $ | Net Profits $ | Div. *Rate % | Rate Earned per sh. % |
|---|---|---|---|---|
| 1929 | 365,169 | 18,656 | 6 | 5.1 |
| 1930 | 365,194 | 10,961 | . | 3.1 |
| 1931 | 365,194 | 4,713 | . | 1.3 |
| 1932 | 365,194 | 1,887 | . | 0.5 |

*On permanent stock.

| Year | Total Assets $ | Reserve Funds $ | Mortgage and Real Estate Loans $ |
|---|---|---|---|
| 1929 | 445,753 | 40,000 | 381,897 |
| 1930 | 440,064 | 40,000 | 389,850 |
| 1931 | 452,050 | 40,000 | 376,900 |
| 1932 | 454,682 | 40,000 | 370,535 |

Latest figures available.

### Security Loan & Savings

Security Loan & Savings Co., St. Catharines, was originally incorporated as a building loan company in 1870.

**Officers and Directors**—H. Southcott, pres.; E. F. Dwyer, vice-pres.; F. Blaikie, mgr.; H. Newman, A. Robinson, D. F. Pepler.

Earnings Record

| Year | Paid-up Capital $ | Net Profits $ | Div. Rate % | Rate Earn. % |
|---|---|---|---|---|
| 1929 | 539,800 | 57,529 | 7 | 10.6 |
| 1930 | 539,800 | 58,572 | 7 | 10.8 |
| 1931 | 539,800 | 58,560 | 7 | 10.8 |
| 1932 | 539,800 | *55,552 | 7 | 10.2 |
| 1933 | 539,800 | *51,752 | 7 | 9.5 |

* After deducting income tax, estimated, 1933, $5,122; 1932, $6,263.

| Year | Total Assets $ | Reserve Funds $ | Liab. to Public $ |
|---|---|---|---|
| 1929 | 2,034,280 | 315,000 | 1,155,908 |
| 1930 | 2,134,135 | 335,000 | 1,234,877 |
| 1931 | 2,187,699 | 335,000 | 1,275,364 |
| 1932 | 2,192,942 | 335,000 | 1,262,841 |
| 1933 | 2,180,931 | 335,000 | 1,257,103 |

### Toronto Mortgage Co.

Toronto Mortgage Co., Toronto, was incorporated in 1899. Earnings were higher in 1932 than in any previous year in the company's history and were well maintained in 1933. Net profit failed to increase, due chiefly to increase in taxes. The volume of deposits and debentures outstanding has shown annual increase since 1922. The larger proportion of the company's liabilities to the public is in sterling debentures, which showed an increase in 1933. Reserves are well in excess of paid-up capital.

**Officers**—T. H. Wood, pres.; A. M. M. Kirkpatrick, vice-pres.; W. Gillespie, mgr. and sec.-treas.

**Directors**—T. H. Wood, A. M. M. Kirkpatrick, W. Gillespie, E. R. Greig, Hon. George S. Henry, G. B. Strathy, A. F. White, G. D. Kirkpatrick, all of Toronto.

Earnings Record

| Year | Paid-up Capital $ | Net Profits $ | Div. Rate* $ | Rate* Earn. per sh. $ |
|---|---|---|---|---|
| 1929 | 724,550 | 110,877 | 6 | 7.65 |
| 1930 | 974,888 | 120,185 | 6 | 6.16 |
| 1931 | 986,500 | 132,999 | 6 | 6.74 |
| 1932 | 986,500 | 128,458 | 6 | 6.51 |
| 1933 | 986,500 | 130,632 | 6 | 6.62 |

* Based on fully paid-up capital stock. Par value $50.

| Year | Total Assets $ | Reserve Funds $ | Liab. to Public $ |
|---|---|---|---|
| 1929 | 3,981,660 | 900,000 | 2,286,247 |
| 1930 | 4,603,774 | 900,000 | 2,385,583 |
| 1931 | 4,880,207 | 1,151,155 | 2,620,703 |
| 1932 | 5,013,719 | 1,165,002 | 2,744,136 |
| 1933 | 5,054,207 | 1,165,002 | 2,772,353 |

### Toronto Savings & Loan

Toronto Savings & Loan Co., Peterborough, Ont., was incorporated in 1885 and operates largely in Peterborough and surrounding district. This company has shown marked stability of earnings to the end of 1931. In 1933 dividend was reduced from 14 per cent to 10 per cent.

**Officers and Directors**—H. C. Cox, pres.; W. G. Morrow, vice-pres. and man. dir.; L. McCarthy, vice-pres.; H. W. Morphet, sec.; E. R. Wood, E. T. Malone, A. H. Cox, G. A. Morrow, S. H. Logan, J. A. McLeod, W. E. Rundle, F. P. Wood, F. McCarthy.

Earnings Record

| Year | Paid-up Capital $ | Net Profits $ | Div. Rate % | Rate Earn. % |
|---|---|---|---|---|
| 1929 | 1,000,000 | 229,911 | 12+8 | 22.9 |
| 1930 | 1,000,000 | 212,526 | 14+6 | 21.2 |
| 1931 | 1,000,000 | 209,836 | 14+6 | 20.9 |
| 1932 | 1,000,000 | *162,336 | 14+2 | 16.2 |
| 1933 | 1,000,000 | *127,759 | 12 | 12.8 |

* Reserve for taxes deducted, $5,500 in 1933; $5,900 in 1932.

| Year | Total Assets $ | Reserve Funds $ | Liab. to Public $ |
|---|---|---|---|
| 1929 | 6,062,126 | 1,200,000 | 3,693,370 |
| 1930 | 6,184,036 | 1,200,000 | 3,817,753 |
| 1931 | 6,037,422 | 1,200,000 | 3,711,304 |
| 1932 | 5,896,173 | 1,200,000 | 3,612,721 |
| 1933 | 5,620,238 | 1,200,000 | 3,292,626 |

### Western Homes Ltd.

Western Homes Limited, Winnipeg was incorporated in 1915. The company does not issue debentures or receive deposits. The company has over 1,000 shareholders. Investments are chiefly in mortgages some 71 per cent of which represent loans on city properties. Preferred dividend was passed in 1933.

**Officers**—Willis Argue, pres. and man. dir.; D. J. Dyson, vice-pres.; R. Duncan, sec.

**Directors**—Willis Argue, D. J. Dyson, W. O. Jefferies, E. Brownlee, B. Parker, W. A. Bremer, R. Duncan.

Earnings Record

| Year | Paid-up Capital $ | *Net Profits $ | Div. Rate % | †Rate Earn. % |
|---|---|---|---|---|
| 1929 | 1,272,967 | 83,795 | 4 | 6.6 |
| 1930 | 1,338,863 | 71,930 | 4 | 5.3 |
| 1931 | 1,373,643 | 71,846 | 4 | 5.2 |
| 1932 | 1,407,191 | 65,189 | 4 | 4.6 |

* Before deducting income tax reserve, insurance premiums, etc.

† On paid-up capital.

| Year | Total Assets $ | Reserve Funds $ | Liab. to Public $ |
|---|---|---|---|
| 1929 | 1,555,518 | 120,000 | ...... |
| 1930 | 1,578,455 | 135,000 | 23,572 |
| 1931 | 1,650,571 | 140,000 | 50,461 |
| 1932 | 1,630,392 | 140,000 | 14,270 |

Latest figures available.

### Yarmouth Bldg. & Loan

Yarmouth Building & Loan Society, Yarmouth, N.S., commenced business in 1876 and was incorporated in Nova Scotia in 1880. Investments of the company are largely in mortgages.

**Officers**—W. C. Purney, pres.; J. W. Grant, sec.-treas.

**Directors**—W. C. Purney, B. S. Robbins, G. Killam, A. P. Stoneman, R. S. McKay.

Earnings Record

| Year | Paid-up Capital $ | Net Profits $ | Div. Rate % | Rate Earn. % |
|---|---|---|---|---|
| 1929 | 195,612 | 16,822 | 6 | 8.6 |
| 1930 | 198,864 | 16,066 | 6 | 8.1 |
| 1931 | 206,153 | 16,363 | 6 | 7.9 |
| 1932 | 205,854 | 14,564 | 6 | 7.2 |
| 1933 | 200,183 | 12,896 | 6 | 6.4 |

| Year | Total Assets $ | Reserve Funds $ | Mtges. on Real Est. $ |
|---|---|---|---|
| 1929 | 286,327 | 44,000 | 280,507 |
| 1930 | 297,656 | 49,000 | 292,859 |
| 1931 | 425,588 | 53,000 | 419,750 |
| 1932 | 309,703 | 55,000 | 297,989 |
| 1933 | 428,927 | 55,000 | 412,000 |

**DIRECTORATE:**

RONALD HARRIS
*Chairman of the Board*

RT. HON. ARTHUR MEIGHEN, K.C., P.C.
*President*

RAY LAWSON, *Vice-President* — GEO. C. GUNN, *Vice-President*

JOHN S. MOORE
*General Manager*

G. H. Aikins, K.C., Winnipeg, Manitoba
G. Montegu Black, Winnipeg, Manitoba
Brig.-Gen. J. A. Clark, Vancouver, B.C.
W. L. Duffield, London, Ontario
R. T. Evans, Winnipeg, Manitoba
Gordon Farrell, Vancouver, B.C.
W. P. Fess, Toronto, Ontario
Major G. Ingram, London, Ontario
Judge Talbot MacBeth, London, Ont.
H. R. MacMillan, Vancouver, B.C.
George Mair, Windsor, Ontario
A. McPherson, London, Ontario
J. McClary Moore, London, Ontario
Sigmund Samuel, Toronto, Ontario
J. E. Smallman, London, Ontario
Major-General J. W. Stewart, Vancouver, B.C.

*Established 1896*

**The London and Western Trusts Company Limited**
London Toronto Winnipeg Vancouver

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**The Brockville Trust and Savings Company**
Brockville, Ont., Canada

Capital Authorized .... $1,000,000.00
Subscribed Capital .... 500,000.00
Paid-Up Capital .... 500,000.00
Reserve Fund .... 200,000.00
Investment Reserve .... 38,248.51
Reserve for Contingencies .... 15,000.00
Undivided Profits .... 7,046.99

*DIRECTORS*
J. Gill Gardner, *President*
A. Fullerton, *Vice-President*
L. C. Dargavel, *Managing-Director*
F. H. Fulford, F. I. Ritchie,
Rt. Hon. Geo. P. Graham, A. G. Parish, J. M. Dobbie,
Hon. A. C. Hardy, Geo. T. Fulford,
Hon. H. A. Stewart
E. J. Smith, *Secretary-Treasurer*

---

*If You Have Personal Property to Manage* you will benefit by doing business with a Trust Company, either for the efficient management of your affairs now, or for their proper supervision later on under the terms of your Will.

The superior advantage of corporate trustee service over that of individuals is one of the outstanding features of the evolution of financial affairs in the last half century. It will interest you to talk this over with one of our officers.

The **Nova Scotia Trust Company**
Halifax - Nova Scotia
*Executor — Trustee — Administrator*
*Transfer Agent — Registrar*
Capital and Reserve — over $ 700,000
Assets in Trust — over $7,000,000

---

**THE ONTARIO LOAN AND DEBENTURE COMPANY**
London - - Ontario
*Incorporated and Established 1870*

Capital $2,000,000 — Reserve Fund $3,200,000

*Assets*
*(31st December, 1933)*
$14,167,042.96

*Surplus of Assets over Liabilities to the Public*
$5,344,213.43

THE ONTARIO LOAN & DEBENTURE COMPANY

DIRECTORS:
Archibald McPherson, *President*
Thomas H. Main, *Vice-President*
J. McClary Gunn
O. Roy Moore
Edward E. Reid
James B. Orr

MANAGER:
Thomas H. Main

*Assistant Manager*
Joseph P. Dewan

3½% PAID ON SAVINGS DEPOSITS
subject to withdrawal by cheque

4¾% DEBENTURES ISSUED

Interest payable half-yearly by coupons or, under accumulative debentures, may be left to accumulate at compound interest until maturity. The Company's Debentures are a legal investment for Trust Funds, which may also be deposited in the Company's Savings Department.

*Offices:* — Dundas Street at Market Lane, and Market Square at Market Lane, London, Ontario

# ONTARIO PLANS HIGH POWERED MUNICIPAL ACT

### Bill Introduced Along Lines Forecast in The Financial Post

### INSPECTOR CONTROL

### Rapid Spread of Defaults Indicated Need for More Comprehensive Legislation

A higher-powered control over municipalities will be exercised in Ontario, if a bill to amend the Ontario Municipal Board Act, presented March 19, is passed by the legislature. The proposed legislation is on the lines forecast exclusively in The Financial Post three weeks ago.

Provision for control of municipalities in default of principal only by inspectors instead of supervisors is the feature of the bill. Rapid spread of defaults in Ontario has indicated the need for more diversified municipal control, and has led to introduction of the bill, which has passed first reading.

**Chief Provisions**

Most important provisions of the bill are:

1. Appointment of a provincial municipal auditor.
2. Power for the Ontario Municipal Board to enquire at any time into the affairs of any municipality with a view to avoiding default.
3. Power for the board to validate debenture issues, before or after sale, without lengthy legal enquiry; such debenture issues to be binding on the municipality.
4. Authority for the board to scrutinize proposed municipal borrowings more closely in the interests of ratepayers.
5. Authority for the board to dispense with a vote of ratepayers on debenture issues requiring same. This would avoid the present need for the legislature passing on municipal borrowing by-laws without the consent of ratepayers.

**Inspector Control**

6. Control by an inspector where a municipality is in default of principal, but has paid interest and where 60 per cent of debenture holders have entered a tentative agreement for postponing, refunding or reconstruction of debenture debt; the inspector to have all the powers of supervisors, and the board to have the power to appoint supervisors if considered necessary.
7. Supervisors to have control of all municipal funds; such moneys to be deposited in banks ordered by supervisors and to be released only as supervisors direct. This provision is similar to that in Quebec, and is intended to avoid conflict of creditors' claims.
8. Application of tax sale proceeds in this order: first, for expenses; second, on liens subsisting on arrears of taxes on property; third, in payment of county rates; fourth, in payment of municipality's debts; fifth, for general purposes.

The bill also clears up disputed wordings, powers of supervisors, and so on. It is taken in authoritative quarters to indicate that the Government and the municipal board are taking to heart the interests of municipal ratepayers.

Particular value is attached to provisions allowing greater elasticity in handling of municipal defaults. Financially embarrassed municipalities have sought to avoid the default stigma through private bills and creditor arrangements, but have been handicapped by the rigid provisions of the existing legislation. The bill is considered an answer to most of the reforms sought by dealers, creditors and municipalities. It provides means of forestalling defaults through scrutiny of municipal affairs, as well as broadening methods of handling defaults that have already occurred.

# LONDON CANADIAN EARNINGS IN 1933 SHOW RESTRICTION

### Market Value of Investments Scores Substantial Increase

From Our Own Correspondent

MONTREAL.—Though earning power of London Canadian Investment Corp. did not undergo any improvement in 1933, the value of the company's investment portfolio registered a substantial increase as compared with that reported in 1932.

Gross revenue in 1933 totalled $247,109, compared with $307,547 in the previous year. After providing for all charges, including debenture interest, there remained a deficit of $17,826, as against a loss of $2,951 in 1932.

Particulars of the income account follow:

| | 1933<br>$ | 1932<br>$ |
|---|---|---|
| Gross revenue | 247,109 | 307,547 |
| Less: Bond int. | 200,677 | 211,275 |
| Loans int. | 21,555 | 37,877 |
| Gen. exp. | 16,769 | 10,431 |
| Taxes | 645 | 601 |
| Trustee, etc. | 2,142 | 1,959 |
| Misc. exp. | 3,015 | 1,672 |
| Exchange cost | 16,167 | 42,233 |
| Income tax | 3,966 | 4,440 |
| Net profit | *17,826 | *2,951 |
| Add prem. res. | 18,850 | .... |
| Balance | 1,023 | *2,951 |
| Brought forward | 212,128 | 215,079 |
| Carried forward | 213,151 | 212,128 |

* Deficit.

**Better Market Value**

At the end of 1933 London Canadian had assets with a book value of $10,415,561 compared with $10,614,448 in the previous year.

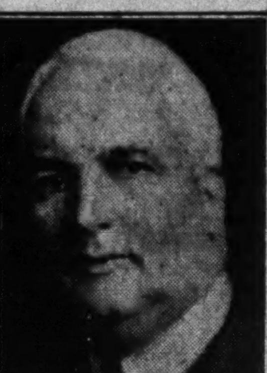
Demand loans have been reduced from $735,750 to $725,000. Of the latter $80,000 is payable in Canadian funds. All of the borrowings at the end of 1932 were repayable in American funds.

Funded debt outstanding remains unchanged, but it is noted that the company holds among its investments $234,500 of its own debentures. These debentures are uncancelled.

Capital stock remains the same, while the cumulation of dividends on the preferred now totals $450,000.

Investments are shown as having a book value of $10,388,574 and a market value of $4,718,421. At the end of 1932 the book value of investments was $10,551,891 and the market value $3,596,649.

## Exhibition Head



**COL. F. H. DEACON**

New president of Canadian National Exhibition, was logical choice because of long experience as director and latterly as vice-president.

NEWS FROM

# Canada's Capitals

**A week-by-week summary from Ottawa and the provincial capitals of legislative developments of interest to business.**

## Week in Ottawa

OTTAWA, Mar. 12—House of Commons: Hon. W. A. Gordon, acting minister of labor, introduced a bill making available to the provinces the unexpended portion of the $10,000,000 appropriated in 1919 for technical education. Three bills ratifying existing agreements between the Canadian National and the Canadian Pacific Railways were considered. Supply for the departments of Fisheries, Interior and Labor were voted.

**Mar. 13**—House of Commons: Premier Bennett announced the legislation to be brought down at Ottawa and in the Prairie legislatures to implement the Wheat Agreement. Bill reorganizing the R. C. M. P., sponsored by Hon. Hugh Guthrie, passed. Two railway agreement bills, one affecting trackage and premises at Saint John and the other, trackage of the old Canadian Northern and the Campbellford, Lake Ontario and Western Railway, passed. Second reading given to amendment to the Fruit Act. Supply voted for the departments of Fisheries, Public Works and Pensions.

Banking and Commerce committee: Clauses of Bank Act considered, numerous amendments filed by committee members.

Agriculture: Evidence taken respecting hog grading.

Senate: Revised Canadian and British Insurance Act given second reading.

**Mar. 14**—House of Commons: Motion banning titles moved by Humphrey Mitchell, Labor, East Hamilton, defeated 113-94.

Senate: Two railway agreement bills and bill reorganizing the R. C. M. P., given first reading.

Banking and Commerce committee: Revised Canadian and British Insurance Act considered.

**Mar. 15**—House of Commons: Hon. Robert Weir gave notice of legislation to create a Dominion Marketing Board. Technical Education amendment passed. National Defence estimates further considered.

Banking and Commerce: Central Bank legislation considered. Hon. Ian Mackenzie, Liberal, Vancouver Centre, gave notice of an amendment which would make the institution publicly owned.

Senate: Railway agreement bills given second reading. Committee authorized to enquire into public accounts and to recommend economies to the government.

Banking and Commerce: Revised Canadian and British Insurance Act further considered.

**Mar. 16**—House of Commons: Supply votes for National Defence and Agriculture considered.

Radio Committee: Evidence received from Hector Charlesworth, chairman, and Col. W. A. Steel, member of the National Broadcasting Commission.

* * *

## Alberta

EDMONTON, Mar. 12—Non-confidence vote over budget estimates moved by opposition leader.

**Mar. 16**—Estimates considered in detail.

**Mar. 16**—Budget adopted by 39-12 vote. Announced that age limit of juvenile delinquents might be raised at present session.

* * *

## British Columbia

VANCOUVER, Mar. 9—Throne speech adopted. Adjournment move to discuss loggers defeated.

**Mar. 10**—Minimum wage act received second reading. Act will set up Board of Industrial Relations with power to administer law and fix minimum wages in almost all spheres of activity.

**Mar. 12**—Annual budget introduced; shows no new taxes. One per cent income tax removed from married men having incomes of less than $1,000. Announced that government would legalize succession duties by new act. Announced that unemployment relief has cost over $23,000,000 since beginning of depression, province's share almost $10,000,000. Nearly all department estimates unchanged, total increase of $1,300,000. Saving of about $2,400,000 in sinking funds due to conversion.

* * *

## Manitoba

WINNIPEG, Mar. 12—Sanford Evans suggested that Irish Free State were breaking Wheat Agreement promises by adding to acreage. Asked what action the government was going to take.

**Mar. 14**—Explanation of Manitoba emergency wheat bill given. Second reading set for Mar 20 when debate will take place.

**Mar. 16**—Announced that government had asked Ottawa to do away with provincial Government House. Estimates considered in detail.

* * *

## New Brunswick

FREDERICTON, Mar. 16—Legislation introduced reducing amount of sinking fund payments for permanent road debentures for 1934, 1935 and 1936, fixing the rate at one half of one per cent. More than sufficient funds already set up to pay debentures off at maturity.

* * *

## Ontario

TORONTO, Mar. 7—First reading given to Public Commercial Vehicle Act, 1934; act results from interprovincial conference and is for purpose of bringing law in line with other provinces. Large number of municipal bills obtained second reading.

**Mar. 8**—Adjourned debate on amendment to motion continued.

**Mar. 9**—Bill to bring provincial laws in line with Dominion on Remembrance Day holiday introduced. Notice of motion to empower municipalities to control lending libraries given.

**Mar. 12**—Milk Control Act passed committee of the whole; announced that members would be named shortly.

**Mar. 13**—Liberal leader called for cheaper hydro power for farmers in budget address. Debate continued.

**Mar. 14**—Act to amend Insurance Act received first reading. Chief provision bans trade in life insurance policies.

**Mar. 15**—Minister of agriculture announced that appeal would be made to banks to allow farmers credit under section 88 for the purchase of seed grain. House resolved into committee of supply. Bill giving municipal authorities jurisdiction over lending libraries passed law committee; bill aims at control of loaning of salacious books.

**Mar. 16**—Bill to amend Judicature Act would prohibit jail term for failure to pay debts. Second reading of amendment to Workmen's Compensation act which would set up a medical board to hear disputes, supported.

**Mar. 19**—Bill providing prison terms for minimum wage offences introduced by government. Hon. Dr. Robb expressed opinion that if minimum wage scale could be worked out for men it would be well worth while.

**Mar. 20**—Closing speeches on debate on budget featured government defense of recent bond flotation. Announced that Fire Marshal dept. may be amalgamated with Insurance dept.

* * *

## Quebec

QUEBEC, Mar. 15—Greater part of sitting given to discussion of colonization efforts of the provincial government. Claim 60,000 persons established on the land in 1932-33; amendment to the Workmen's Compensation Act was given second reading.

**Mar. 16**—Consideration given to bill to provide for provincial lottery if the measure is assured Federal sanction; consideration given to motion urging the replacement by men of as many women employees as possible; third reading given to bill providing for enquiry into hours of labor and wages of men working in lumber camps.

**Mar. 17**—Lottery bill given third reading; Taschereau Bill which would give municipalities authority to sell properties for non-payment of taxes was given second reading; amendment to the Dairy Act to give additional powers to the Quebec Dairy Commission was introduced in committee; estimates of the Department of Labor were passed.

* * *

## Saskatchewan

REGINA, Mar. 5—Hon. M. A. MacPherson gave exposition of London wheat agreement. Indicated that provincial legislation would provide some incentive for farmers to increase production of coarse grains; no acreage cut.

**Mar. 6**—Limitation of production and not curtailment of acreage will be aim of provincial authorities on wheat agreement plans.

**Mar. 7**—Estimates tabled. Provide for expenditure of $16,400,000, higher by $200,000 than last year, small surplus of $11,000. New tax act to ease arrears of taxes will be brought down shortly, it was announced.

**Mar. 8**—Deficit of $1,000,000 expected in present fiscal year, Hon. M. A. MacPherson stated in budget speech. Public revenue receipts were $1,389,000, decline of $254,000. Succession duties, although increased in 1932, brought in the last fiscal year $177,375 as against $463,069 in 1929-30. Corporation tax down, gasoline taxes up but rate higher.

**Mar. 12**—W. W. Miller, Cons., attacked the Canadian Credit Men's Assoc., calling them a bunch of pirates, saying that they merely forced concerns into bankruptcy.

**Mar. 13**—Bill to restore Civil Rights Act introduced. Act was passed last year and prohibits a personal covenant clause in land mortgages. Liberals attacked wheat quota plans saying they infringed on farmers' rights.

**Mar. 14**—Proposed commission of education will be entirely removed from politics; will consist of three members, one of whom will be chief commissioner. New liquor legislation will prohibit serving of beer without food valued at 75 cents.

**Mar. 15**—Motion for consideration of estimates and closing of budget debate carried.

# Wheat

From Our Grain Correspondent

**Wheat Trading Light**

WINNIPEG—Although a limited amount of export business in wheat continues to be booked daily, and forwarders have been taking some cash grain for movement down the lakes at the opening of navigation wheat trading continues to be extremely quiet, and fluctuations in price to have little significance. Hand to mouth buying on the part of millers abroad has prevailed for a long time, but the reluctance to make forward commitments appears to be more marked than ever just now, and is commented on by all overseas observers.

The opinion appears to be growing that European wheat production this year is likely to be decidedly smaller than the extraordinarily heavy crop produced last year. The long continued drought in England is giving some anxiety as to the crop out-turn, and while winter damage on the continent has not been on any great scale, it seems to be taken for granted that a crop somewhat under, instead of over the average is to be looked for.

* * *

**U. S. Outlook Poor**

REPORTS of condition of the winter wheat crop in the United States are somewhat conflicting, with some observers insisting that the outlook is very much poorer than is generally realized, mainly because of long continued shortage of basic moisture, but trading interest in the United States is at a low ebb just now, and seems unlikely to be revived in the near future unless it is assured that the crop there is likely to fall below domestic needs for the second year in succession.

Both Argentina and Australia are making fair shipments to China just now, the demand there growing in accordance with seasonal requirements, but the total seems unlikely to reach any very large figures.

* * *

**Wheat Board Rumors**

TALK of a possible wheat board for Canada tends to reduce still lower the public and trade interest in the futures market so that while the absolute extent of holdings for government account is probably growing somewhat less in the Winnipeg market, the proportionate quantity if anything, tends to grow larger.

As seeding approaches it becomes evident that natural causes are likely to result in a considerable reduction of wheat acreage in western Canada from that of last year. Campaigns against grasshoppers are being organized on a large scale in all three western provinces, with preparations for mixing poison bait in great quantities. Fear of grasshoppers will check to some extent the switching by farmers from wheat to coarse grains as the hoppers have done greater proportionate damage to barley and oats than to wheat, although to some extent this is a consequence of later seeding and tenderer growth when the hoppers become active.

# *Grain and Milling in Canada*

## SMALLER SPREAD FARM PRODUCTS, MANUFACTURES

### Advances of Past Months Led by Grains and Livestock

Almost without exception, the trend of prices of commodities during the past four months has been steadily upward. Greatest advances have been recorded in farm products, both animal and vegetable, with the result that the spread between wholesale prices of Canadian farm products and manufactures has been narrowed to some extent. While it is generally admitted that further rises in farm products prices are necessary before stability can be assured in Canada, the improvement that has taken place is nevertheless important.

At November, 1933, the index number of prices of fully and chiefly manufactured goods was 71.6 on the base of 1926 equals 100, while the index of farm products was 53.8, a spread of 17.8 points. In February, 1934, the price index of manufactured goods had risen to 74.5 and that of farm products to 58.0, thereby reducing the spread to 16.5 points. In February a year ago the spread was 23.9 points, the farm products index at that time being 43.0.

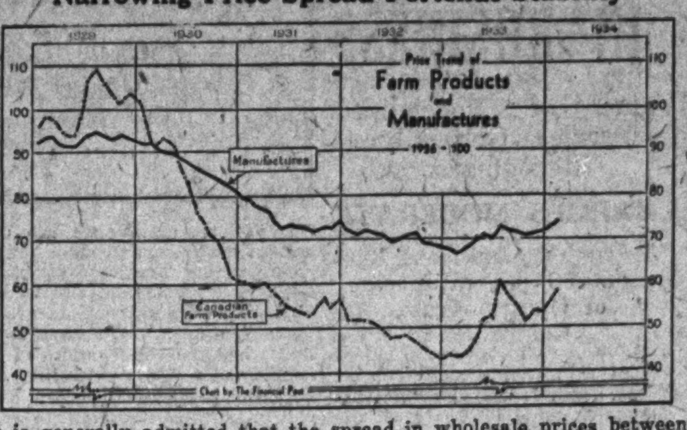
**General Index Higher**

The combined index of the Dominion Bureau of Statistics for February, 1934, stood at 72.1, a gain of 1.5 points, or almost two per cent from the previous month and more than 13 per cent higher than at the same date a year ago. Changes from the previous month and from February a year ago in some important groups are shown in the following table:

**Changes in Wholesale Price Indices**
(1926 = 100)

| | Feb. 1934 | Points change from Jan. 1934 | Feb. 1933 |
|---|---|---|---|
| (a) by Chief Component Material | | | |
| Vegetable | 65.6 | +1.6 | +14.8 |
| Animal | 70.7 | +5.6 | +14.9 |
| Fibre and textile | 73.8 | +1.3 | +5.9 |
| Wood and paper | 65.6 | +0.8 | +3.4 |
| Iron | 87.0 | +0.4 | +1.8 |
| Non-ferrous metals | 66.8 | —0.2 | +8.5 |
| Non-metal. minerals | 86.0 | —0.1 | +1.0 |
| Chemicals | 80.6 | .... | —1.8 |
| (b) According to Purpose | | | |
| Consumers' goods | 75.9 | +1.7 | +6.9 |
| Foods, beverages | 73.1 | +4.0 | +14.8 |
| Producers' goods | 67.8 | +1.0 | +8.9 |
| Equipment | 87.9 | +1.4 | +0.7 |
| Materials | 65.6 | +1.0 | +9.8 |
| (c) According to Origin | | | |
| Raw and part. mfd. | 62.9 | +1.9 | +12.1 |
| Fully manuf. | 74.5 | +1.5 | +7.6 |
| Farm products | 58.0 | +2.7 | +15.0 |
| Field | 49.3 | +1.4 | +12.7 |
| Animal | 72.5 | +4.7 | +17.8 |

**Narrowing Price Spread Portends Stability**



It is generally admitted that the spread in wholesale prices between farm products and manufactured goods has to be rectified before any degree of stability can be attained in Canada. Rapid rise in farm produce prices during the past four months has brought this stability nearer accomplishment.

## *In the Mail*

Editor, The Financial Post,

Referring to an article which appeared in the editorial column of your issue of March 3, containing an exerpt from an address delivered by Sir Daniel Hall at the Regina World's Grain Exhibition last July, and to which you drew my attention.

I have only recently read Sir Daniel's address in full, and I find the portion you quoted was the concluding paragraphs of his speech. To quote his words, he therein made a prophecy that the cure for agricultural depression is not restriction of production, but the starting up in the world at large of the wheels of trade and exchange, and then at the same moment, "he admitted that he had not the slightest hope of seeing the prophecy realized this year, next year, or so on, but was quite certain it would be ultimately realized." What an uninspiring and negative message!

Sir Daniel travelled thousands of miles to deliver that message, presumably to assist in the solution of one of the world's great problems, and in the midst of a people who had for several years been suffocating from a world's excess production, he denounces the theory of overproduction, while his only suggestion of a cure was to wait until some dim distant future time when his theory of underconsumption would be proven correct by the starting up in the world at large of the wheels of trade and exchange.

You will find in the second last paragraph of Sir Daniel's address, he stated: "Many of our population are at present feeding themselves on bread and cereal stuffs." Now if that means anything, it certainly means that human consumption of wheat is now above normal because of the depression. That statement is not in harmony with his under-consumption theory. He goes on to say when times improve, human consumption of wheat will decrease because people will be able to afford more expensive foods, such as, meat, bacon, milk, etc., and then more cereals will be converted into those foods through feeding to livestock. Furthermore, he visualizes in the good times coming, the feeding of five or six pounds of wheat to produce one pound of meat. Now, I ask: "Who ever heard of producing wheat as a food for livestock?"

Wheat in normal times has never been pressed into use as a food for livestock, except in recent years when it has been ruinously cheap because of super-abundance, or because it has been damaged by adverse crop weather, or similar causes, rendering it of an inferior quality for human use. Coarse grains are produced, and generally abundantly and cheaply produced for livestock, and wheat is produced to provide the people's bread. It is true, at all times there is a small percentage of wheat used for specialty purposes in the feeding of livestock, but that volume is not important. So long as wheat must be pressed into use for the feeding of livestock, just so long will its price remain on a bankrupt basis. Many hundreds of millions of bushels of wheat in excess of normal have been fed to livestock in the past few years, and yet there are many people who choose to describe our problem as one of underconsumption. Why?

There were some well-informed experts who delivered addresses at Regina last July, and one of the most outstanding was George Broomhall, of Liverpool, England, a man who has spent a long and useful life specializing in the gathering of statistics and information concerning the world's grain acreages, production and consumption; a gentleman whose work, name and opinion are respected throughout the world's International Grain Trade, and I think it only fair to the interested public that I should quote the opinion he expressed in his message, which was delivered at Regina last July, as follows:

> "The root cause of low prices in the wheat trade, was certainly overproduction, and there is no chance of any lasting cure, except reduced production or increased consumption. Increased consumption may come in time, but harassed growers who want a quick remedy, must cut down production."

I point out to you that this well-informed authority, as quoted above, intimated that increased consumption may come in time. Mark you, he does not say it will come in time, he says it may come in time. That does not sound as if he anticipated it would occur in the near future, and besides, it is well for us to remember that the producers of wheat have been waiting now for several years for this increased consumption to materialize.

Elsewhere in Mr. Broomhall's address, he made this further statement: "If we consider the causes of the present depression in the wheat trade, we cannot fail to put down excessive supply as the dominant factor."

In my opinion, Mr. Broomhall is better informed on the whole situation than Sir Daniel Hall, and I leave it to the harassed farmers and merchants throughout Western Canada as well as Eastern Canada, to decide that.

JOHN I. McFARLAND.

March 12, 1934.

# McFarland's Trip to Rome Linked With Wheat Board

### Attendance at International Committee Seen as Move to Discover Attitude of Other Large Exporters, Argentina's Attitude on Quotas

From Our Own Correspondent

OTTAWA.—A good deal of significance is attached to the attendance of John I. McFarland as Canadian representative at the April meeting in Rome of the International Wheat Committee set up under the London Wheat Agreement. On it may depend the attitude of the Government toward the western proposals for establishing a wheat board to conduct completely the marketing of the Canadian crop. In spite of frequent urging that appointing a wheat board and eliminating all commercial agencies for dealing in wheat is the proper solution for Canada's wheat problem, Mr. Bennett has so far been very cold to all such proposals.

In addition to a basic desire to keep the Government out of trading operations, it has been Mr. Bennett's view, and this is understood to have been founded on advice given by Mr. McFarland, that Canada would place herself at a fatal disadvantage in selling wheat by establishing a monopolistic Government agency so long as other exporting countries continue to make use of commercial agencies. Mr. McFarland is understood to have said that the only conditions which would make possible successful conduct of a Canadian wheat board would be the existence of corresponding agencies in other countries so that common action could be taken with respect to prices.

**Sound Out Other Countries**

It is understood that on this trip he is to explore the possibilities in this connection. An adverse report from him might lead to a definite declaration by the Government against the wheat board plan, in spite of the fact that legislation is being put on the statute books which would make the creation of such a board possible.

Argentina's attitude toward the London Wheat Agreement is another important mystery which John I. McFarland will attempt to solve during his trip to the International Wheat Committee's meeting at Rome, and also whether exports from that country are to be restricted during the current crop year to the 110,000,000 bushels allotted to it under the London Wheat Agreement. Very disturbing reports have come from Argentina indicating the view there to be that the quota agreed to applies only to exports made to countries signatory to the wheat agreement, and that Argentina is free to ship as much additional wheat as she can to other countries, and especially to Brazil and to China.

Shipments of wheat from the Argentine will need to keep on at the present rate for only a short time longer to exhaust the total she is presumed to be able to ship up to the end of next July, and as soon as it is exhausted the question will have to be settled whether or not Argentina will suspend exports until after July 31. If she keeps right on exporting there will not be left much of the London Wheat Agreement.

**Agreement Badly Battered**

That agreement is already badly battered. The provision by which importing countries agreed to reduce their import duties when the average price of all wheat sold in Great Britain should reach 63 gold cents a bushel has lost all its meaning because of recent developments in connection with gold and currencies. It now represents a price practically impossible to reach under conditions likely to be experienced during the term of the agreement.

Another blow came from the action of the Irish Free State, in entering upon a programme of subsidized wheat production, in absolute defiance of the provision of the agreement. The official explanation is of course that the Irish Free State was never really a party to the agreement, and that the Government allowed it to be signed subject to parliamentary approval, which was never asked nor given. But the agreement is in essentially the same position with respect to most, at least, of the signatory powers, where Governments cannot commit their countries to treaty obligations without submitting agreements to parliament.

**Hold Prices Up**

There is also another angle to the Argentine situation. Prices for Canadian wheat have been held much higher than those prevailing for Argentine wheat, very largely through Government control of the market exercised through Mr. McFarland and the Canadian Co-operative Wheat Producers. That situation was thought not to be dangerous, inasmuch as certain quantities of Canadian wheat were saleable at large premiums over Argentine prices, and for a time there seemed to be no object in pressing for larger sales, because Canada's exports were to be limited in any event to 200,000,000 bushels.

If this country's weekly sales fell below the average required to reach that total it was assumed that once the Argentine rush of selling was over and the quota began to restrict her exports, a place would be provided for increased sales from Canada. But if Argentina is going to keep on selling, it may prove that Canada, by holding her prices too high, has simply provided a sheltered market in which the southern country has been enabled to sell her wheat.

**Cannot Restrict Export**

Curiously, there is no way in which the Argentine could be called to account by this country. So far as the text of the London wheat agreement is concerned, no separate obligation was incurred by that country. Instead, a joint obligation was undertaken by Canada, the United States, Australia and the Argentine to regulate their exports, during the current crop year, after allowing for exports by other countries, on the basis that the total effective world demand would be 560,000,000 bushels.

It is not specified in the agreement itself that the Argentine is to export only 115,000,000 bushels, or that Canada is to export 200,000,000 bushels, and in spite of insistence of outsiders that there must be a supplementary agreement in which these figures may be found, it has been repeatedly denied that any such agreement yet exists. Apparently the figures rest only on an "understanding," which in the absence of definite information as to what Russia was going to do, or other countries would know what they had to divide, has never been completed.

**Will Agreement Work**

It is really only through the International committee, set up to watch the working out of the London agreement, that Canada can learn just what Argentina intends to do. Previous meetings of the committee have not been regarded as important by the authorities at Ottawa. Now, however, when it becomes necessary to know whether the agreement is really going to work or not, the April meeting was considered important enough to have Mr. McFarland attend.

# PRAIRIES READY FOR HOPPER FIGHT

### Supplies Being Assembled, Mixing Stations Manned for Quick Start

Everything is in readiness in Western Canada to start the fight against the grasshopper army just as soon as spring definitely opens in the Prairies. Supplies of bait are being concentrated in all three provinces, the following supplies having already been assembled:

- 1,650 carloads of bran and malt sprouts
- 1,650 carloads of sawdust
- 250,000 gallons of sodium arsenite
- Thousands of hand operated and power mixers for the preparation of the poison bait.

Organization work has been progressing at a rapid rate, and an intensive campaign has been conducted in every small governmental unit from Winnipeg to Edmonton and Calgary. Not less than 100,000 farmers have been enrolled in the grasshopper "minute man" army of the three provinces. Scouts have been appointed in every little section to watch for the first hatching of eggs. Every resource in Western Canada will be thrown into the breach when the baby hoppers begin emerging from the soil.

**Provinces Financing Plans**

Financing of the campaign is being done by the provinces themselves. In Saskatchewan and Alberta, the provincial governments are buying the supplies. The rural municipalities will pay the cost of local distribution and mixing and spreading of bait. At the end of the campaign they will be billed for half the cost of supplies. In Manitoba much the same plan is in operation with the province assuming a great share of the cost. Altogether, it is expected that about $1,000,000 will be expended. The railroads are hauling supplies to small towns throughout the three provinces at greatly reduced rates. Because there are few places in which the supplies can be stored, the railroads are leaving the supplies in their cars, and side-tracking them for later use, at no extra cost.

In Alberta the cost of the campaign will be met by a small tax on every acre of land in the infested area. This tax will be levied as soon as total costs have been computed.

# REDUCED ACREAGE CERTAIN IN SASK.

From Our Own Correspondent

REGINA.—Wheat pact or no wheat pact Saskatchewan's acreage reduction of all grains but mostly wheat is expected to be approximately 20 per cent under the 1933 acreage. Lack of motive power and in some cases the means to run machinery, abandoned acreage, particularly in the south and operations of the relief board in doling out less wheat and more coarse grains are some reasons. What grasshoppers will do is problematical. A wet spring can hamper the hoppers and at the same time prepare the ground for excellent production on smaller acreage.

In a general way Saskatchewan farmers are all for the wheat pact but individually they have their own views. The farmer with good equipment and the finances to run it will without doubt increase his acreage on the strength of his knowledge that neighbors not so fortunate will have to sow less.

## Key Facts About Wheat

| | Total<br>bu. | Previous Week<br>bu. | Same Week Year Ago<br>bu. |
|---|---|---|---|
| **Canadian Wheat in Store:** | | | |
| Fort William, Mar. 16 | 70,554,162 | 69,771,980 | 65,395,269 |
| Country elevators, Mar. 9 | 105,246,786 | 105,169,942 | 110,800,000 |
| Total, all points, Mar. 9 | 228,827,215 | 229,865,751 | 223,453,155 |
| **Visible Stocks (Mar. 5):** | | | |
| Canadian | 112,625,000 | 114,067,000 | 105,285,000 |
| Argentine | 17,635,000 | 17,268,000 | 12,024,000 |
| United States | 97,292,000 | 100,640,000 | 148,5760,00 |
| Australian | 99,000,000 | 101,000,000 | 111,000,000 |
| **World Shipments, incl. flour, weeks ended** | | | |
| North American, Mar. 17 | 3,851,000 | 3,920,000 | 3,534,000 |
| Argentine, Mar. 10 | 4,940,000 | 2,628,000 | 4,541,000 |
| Black Sea*, Mar. 10 | 352,000 | 24,000 | 368,000 |
| Australian, Mar. 10 | 2,030,000 | 1,352,000 | 7,569,000 |
| Total (World), Mar. 17 | 11,305,000 | 11,626,000 | 12,549,000 |
| World Wheat on Passage (Mar. 17) | 40,976,000 | 39,944,000 | 60,656,000 |
| * Includes South Russia. | | | |
| **Canadian Marketings and Exports:** | | | |
| Canadian exports† (Mar. 9) | 1,910,350 | 3,563,683 | 3,104,411 |
| Cumulative to Mar. 9 (32 weeks) | 103,451,110 | 101,540,760 | 155,930,246 |
| Prairie marketings, D.B.S. (Mar. 2) | 1,571,352 | 1,706,540 | 3,774,298 |
| Cumulative to Mar. 2 (31 weeks) | 180,223,070 | 178,651,718 | 300,629,571 |
| Country deliveries, (Mar. 16)‡ | 1,759,000 | 1,735,000 | 4,477,000 |
| Country loadings (Mar. 16)‡ | 2,367,077 | 2,248,955 | 4,617,630 |

*Includes South Russia. †Excluding flour. ‡Sanford Evans Weekly Report.

## Winnipeg Grain Prices

Week to March 20, 1934

| Crop year from Aug. 1, 1933<br>High | Low | | Open Mar. 14 | High for week | Low for week | Close Mar. 20 |
|---|---|---|---|---|---|---|
| | | **Wheat** | | | | |
| .95 | .59¼ | May | .68⅞ | .69 | .67⅜ | .67⅝ |
| .71½ | .62¼ | July | .70¼ | .70⅝ | .65⅝ | .68⅞ |
| | | **Oats** | | | | |
| .48½ | .29½ | May | .35½ | .35½ | .34¾ | .35 |
| .38⅝ | .32⅛ | July | .36 | .36⅛ | .35½ | .35⅝ |
| | | **Barley** | | | | |
| .59¾ | .32½ | May | .41 | .41⅛ | .40 | .40⅞ |
| .44⅝ | .36¼ | July | .41⅝ | .41⅞ | .40½ | .41⅞ |
| | | **Flax** | | | | |
| 1.71½ | 1.15 | May | 1.51½ | 1.51½ | 1.46 | 1.47¼ |
| 1.58 | 1.39½ | July | 1.50¼ | 1.50½ | 1.45 | 1.46⅝ |
| | | **Rye** | | | | |
| .68½ | .39⅛ | May | .48 | .48 | .46¾ | .47½ |
| .53¼ | .43⅜ | July | .49⅝ | .49⅝ | .48⅛ | .48¾ |

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# Your Investments

Letters from subscribers to The Financial Post, who desire information bearing on their Canadian investments, will be answered by an early mail, and questions of general interest will be answered on this page. We cannot extend this service to non-subscribers nor do we answer enquiries relating to American stocks or foreign securities generally. A three-cent stamp or stamped envelope must be enclosed. Write mining and insurance enquiries on sheets separate from other investment enquiries. No answers can be given by telephone or telegram. We do not select lists of securities but will supply current facts about securities in a list you may supply. Nor do we attempt to make any forecasts of the probable trend of any security. The service, in other words, is one of fact and not of opinion.

### Imperial Tobacco

Is the stock of Imperial Tobacco Co. of Canada regarded as better than a speculative investment? My broker has advised me to purchase some shares in this company but as I do not know a great deal about it, would like to have a report from you.

Imperial Tobacco does by far the largest share of the tobacco business in this country. Earning power has been well developed and, even the last three years, the volume of business handled and profits earned by the company have tended upwards. The company has earned its dividend by a comfortable margin. An important point in connection with this company is that some of its subsidiaries are important revenue producers, but in the company's income account it is pointed out that the net profit shown does not include the company's proportion of the undivided profits of the subsidiary and associated companies.

### Dominion Glass

Any information you may have on Dominion Glass Co. would be appreciated. I have been considering making a small investment in this company but before doing anything would like to have an opinion from you.

Dominion Glass Co.'s record over many years has been a favorable one. The policies of the company have always been conservative; a factor largely responsible for the present sound financial position. While no particulars have been issued recently by the company as to trend of operations and earnings, unofficial reports are that the volume of business has been on a satisfactory basis. In connection with the company's capital set-up, the fact should not be overlooked that last year the company retired out of cash resources, the balance of its funded debt; the preferred stock now ranks as the senior security of the company.

### Canadian Industries

It would be appreciated if you would let me have a report on Canadian Industries. I am particularly anxious to know the position of this company in the Canadian industry and how well it has been able to come through the past two or three years.

Canadian Industries dominates the heavy chemical field in Canada. Through its association with Imperial Chemicals and the E. I. Dupont Nemour Co., in Great Britain and the United States, respectively, it has under its control a wide range of products which find increasing use in the Dominion. The last financial statement issued by the company, covering 1933, indicated a further increase in earning power and general strengthening of finances. During the past three years when most lines of industry have reported a slowing up in operations and a decline in earning power, Canadian Industries has been able to hold its own in a satisfactory way. Dividends have been paid regularly, and a balance added to the profit and loss account surplus.

### Restigouche

Can you tell me whether or not Restigouche Co. will pay interest on its bonds this year? I have been told that payment will be made.

The financial statement of Restigouche Co. for 1933 indicated a marked improvement in earning power and finances. There was a better market for the company's products over the past twelve months, with the result that earnings were on a substantially larger scale than reported in 1932. At the same time the company was able to effect a reduction in bank loans.

Under the terms of the reorganization plan, Restigouche's bond interest for the two years from February 1, 1932, to February 1, 1934, was suspended, but is payable in five annual installations beginning August 1, 1937, with interest on the overdue interest at the rate of 6 per cent per annum. Provision has been made in the plan for the non-payment of interest on August 1, 1934, on much the same basis.

No decision has been reached as yet by the directors as to what steps they will take respecting the August 1 interest. It is possible that the company may decide to conserve its liquid resources and take advantage of the plan by deferring the next payment. On the other hand, if the company's operations and earning power continue to improve, there is a possibility that the bond interest will be met next August.

### Bell Telephone

I am holding a few shares of Bell Telephone common stock. As you know the dividend has been reduced from 8 to 6 per cent. Do you think the company will be able to maintain the latter rate?

Bell Telephone Co. of Canada has experienced a restriction of operations in the last few years owing to the business depression. It would now appear that the loss in telephone installations has been checked, while long distance revenue of late has been on a scale greater than that reported a year ago. The company was forced to reduce the dividend on its common stock from $8 to $6 a share, and any improvement in the situation gives greater confidence as to maintenance of the latter rate.

### Dominion Textile

It would be greatly appreciated if you would let me have a report on Dominion Textile Co. I have been told that prosperity of this company is closely tied up with the tariffs, so that any information you have on this point will be greatly appreciated.

Dominion Textile's position, both as regards operations and earning power, has undergone a marked improvement. The company's plants are operating at or near capacity and revenue during the current year is understood to be appreciably higher than that reported in the previous twelve months. The company, as you may know, is the dominant factor in the Canadian textile industry. Its record over many years has been a favorable one. One factor to consider when contemplating the purchase of stock as an investment is the company's dependency upon tariffs. At present the tariff protection afforded to the company is substantial and partly responsible for the excellent showing now being made by the company.

### City Gas

I have been advised to purchase stock in the City Gas and Electric Co. I understand that this is a new enterprise started in Quebec and have not been able to obtain a great deal of information about it. Any information on this company which you can let me have, will be greatly appreciated.

It is rather difficult to give you an opinion on the merits of City Gas and Electric Stock owing to the fact that this company has yet to bring out its first financial statement. The company was formed a short time ago to acquire the gas franchise of the City of Three Rivers. It erected a plant, installed mains and commenced operations about a year ago. Since then it has acquired the power properties of the Amos Water and Power Co. and the Yamaska Electric Co. The management also report that negotiations are proceeding for the acquisition of another utility, though so far they have not made public any details.

### Dominion Bridge

I have been considering purchasing a few shares of Dominion Bridge Co. If construction increases, this company should benefit and for that reason I thought its stock might be a good buy. Will you let me have your opinion on the prospects for this stock over the next six months?

Dominion Bridge Co., like other concerns engaged in the same line of activity, is dependent upon construction and new building operations. The amount of business available to the company in the last two years has been very limited, with the result that earning power has been sharply restricted. On the other hand the company's financial position is very strong and there is no doubt of its ability to carry through until such time as business is on a basis permitting earnings to cover dividends.

### Canadian Pacific

Can you tell me the outlook for the Canadian Pacific Railway ordinary shares over the next year or two? Has the financial position of the company strengthened and is there any reason to expect larger earnings during the current year?

Prospects for Canadian Pacific Railway ordinary shares over the next two or three years are indeterminate. While the volume of traffic available to the company declined to the point where in 1932 and 1933 the company did not do much better than cover its fixed charges, traffic statements since the beginning of the year show a more encouraging trend with increases recorded over the same period for last year. At the same time, however, capital charges have increased and the larger proportion of the company's earning power, in the years immediately ahead, will likely have to be apportioned for interest charges. Co-operative economy measures adopted by the Canadian Pacific and the Canadian National Railways have been instrumental in effecting large savings. Further proposals are reported to be under consideration and will be brought into effect when the time is opportune.

### Montreal Power

Would you kindly let me have your views on the position of Montreal Light, Heat and Power, Consolidated?

Montreal Light, heat and Power Consolidated is the largest privately-owned utility company in the Dominion. While operations and earnings were adversely affected in 1933, the annual statement showed all charges, including dividends on the common stock, earned by a comfortable margin. The company operates in a field which has shown marked expansion over many years. There is no reason to expect that this expansion will not continue. At the same time the company has large sums of money invested in various securities which constitute an important source of income.

### Abitibi Bonds

I have an Abitibi, 5 per cent bond, due 1953. Has this company made progress enough to warrant interest payments in the near future? If it reorganizes, will it affect the first mortgage holders as far as principal is concerned? Would you advise to sell or hold?

The position of the Abitibi 5 per cent bonds may soon be made clearer with the report for 1933 of the protective committee for the shareholders. That report should cover not only the financial position of the company but the earnings during 1933. The position of the industry from the operating standpoint has improved somewhat but prices are still stated to be below profitable levels for most companies. These bonds have been advancing recently. It has been suggested that informed buying is going on but as to that the general public can only judge when the 1933 report is released.

### Real Estate Loan

Please tell me something of the present position of the Real Estate Loan Co. and why there is so little trading in its stock?

Real Estate Loan Co. of Canada has outstanding only 5,000 shares of $100 par value stock and it is apparent from the very few sales that the floating supply is almost negligible. Dividends on the stock have been paid regularly for 42 years and from 1913 to 1932 the dividend rate was 7 per cent.

The company has no deposit liabilities. Its liability to the public consists of sterling and currency debentures. Of the former, there is $708,927 outstanding and of the latter $84,335. Total liabilities to the public amount to $803,424, practically half of total assets of $1,613,530. Because the company carries no demand deposits and knows definitely when its sterling and currency debentures mature, the management can afford to carry most of the investment in mortgages, the principal of which amounted to $1,825,386 at December 31, 1933. In addition, the company had approximately $93,000 in cash, Dominion and provincial bonds and municipal debentures.

At the end of 1932, the company had mortgage investments of $1,405,239 of which $1,132,874 was in Manitoba and $307,849 in Ontario with the remainder very evenly divided between British Columbia and Ontario. At that time, interest due and unpaid amounted to only $14,905 while interest accrued amounted to $29,691. The company had real estate held for sale valued at $46,655. During 1933, there was apparently some dropping off in payments on mortgages and real estate held for sale increased to $146,146 after a reserve of $27,107. This is not out of line with the experience of other companies loaning money on mortgages.

Price range of the stock in 1929 was $115 high and $112 low. The stock sold at $115 in 1928 and 1929 and this represents the peak value for the stock in the company's whole history. At December 31, 1933, the shares had an equity of $159.52.

### Geo. Weston Preference

The market on Geo. Weston preference at 95, as viewed against the statements recently published by the company, appears to be very attractive. Will you please give me your opinion of the merit of this issue for investment?

The position of George Weston preference stock is considerably enhanced in the market view at present because of the fact that the company was able to double its common dividend and is apparently in 1934 making even better earnings than it did in 1933.

As the company has no funded indebtedness and at the end of 1933 had only $900,000 of 7 per cent cumulative redeemable preferred outstanding, sooner or later this stock may be redeemed. It is callable in whole or in part at the option of the company on 60 days prior notice at $110 per share and accrued dividends. The charter provides that the company shall not declare any dividend on the common stock if it would reduce the total amount of its then current assets below 200 per cent of its then current liabilities nor the net current assets of the company below the sum of $250,000. At the end of 1933 current assets were more than five times current liabilities and the working capital four times the $250,000 which is cited as the minimum for paying dividends.

The company's business in the United Kingdom and in the United States is going ahead in very encouraging fashion at the present moment and future expansion plans can be expected to be concerned mainly with opportunities in those two fields.

### Metropolitan Corp.

I hold some first mortgage bonds of Metropolitan Corp. of Canada. I have been told that the company to which the property is leased is not in very satisfactory condition, and am wondering whether or not the interest payments will be continued. Can you let me have information on this point?

Metropolitan Corporation of Canada's property is leased to a company which now has a satisfactory cash position and which should show further strengthening as a result of the arrangements made with the bondholders a few months ago. The lessor company reported an operating loss for last year after providing for all charges, but of late business has been better and prospects for the balance of 934 are encouraging.

We are informed that the Metropoltan Corporation of Canada should have no particular difficulty in meeting its obligations in respect to the first mortgage bonds. While there is a limited market for this security a nominal quotation at present is 50 bid.

### Nova Scotia Steel

Can you tell me if any report has been issued by the receiver for Nova Scotia Steel and Coal Co. since the statement made public early last year?

There has been no particular change in the position of Nova Scotia Steel and Coal Co. since the receiver was appointed early in 1933. Reports issued at that time showed the company was operating at a loss. It is expected, however, that the receiver will issue a report shortly when it will be possible to get a more accurate idea of the current position of the company.

### General Steel Wares

I hold some bonds of General Steel Wares. In the last few months these bonds have appreciated in value and I am wondering whether or not I should sell them, even though it would mean a loss from what I originally paid for them. Before deciding on whether or not to sell, I would like to know if the company is making progress.

General Steel Wares has improved its position substantially over the past twelve months. Operating income, before depreciation, was almost sufficient to take care of bond interest requirements in 1933.

Since May of last year sales and earnings of the company have steadily increased and during January of this year, the company reports an increase in the volume of business amounting to approximately 38 per cent over that reported for the same month last year. Sales during February were nearly 50 per cent greater than last year. Expectations of the management are that with a continuance of the same type of business as experienced in the past six months, the company will be able to show an operating income of about $1,000,000 in 1934. This would permit the company to set aside a large amount for depreciation and at the same time cut down its bank loans and pay interest on its bonds.

### Maritime Telephone

Though living in the United States, I have been investing my spare money in Canadian companies. I have taken rather a fancy to the common stock of Maritime Telephone and Telegraph Co. and would like to have a report as to its capital, earning power, dividends, outlook, etc.

Maritime Telephone and Telegraph Co. was incorporated in 1910 and now controls practically the entire telephone system in Nova Scotia, and, through control of the Island Telephone Co., of Prince Edward Island. Under the statutes of Nova Scotia, the Public Utilities Commission is authorized to allow the company such rates as will enable it to earn 8 per cent on the value of its property as appraised by the Commission.

At the end of last year the company had issued $1,500,000 of 6 per cent first mortgage bonds, $1,500,000 of 5 per cent general refunding bonds, $1,500,000 of 7 per cent cumulative preferred stock and $3,595,760 of common stock. The latter has a par value of $10 a share.

Since 1912 the company has paid dividends on its common stock. The rate in 1912 was 3 per cent; 5 per cent in 1913; 6 per cent between 1914 and 1925; 6½ per cent in 1926; 7½ per cent in 1927; 8 per cent from 1928 to 1932; and 6 per cent in 1933. In the last seven years the company has not earned entirely its common stock dividends. In 1933, 58 cents a share was earned as compared with dividend payments of 60 cents a share.

The financial statements from 1930 to 1933 showed an adverse working capital position, though the excess of current liabilities over current assets was only $63,777 at the end of 1933. This is due to the sale of an additional block of the general refunding mortgage bonds amounting to $500,000, proceeds from which were used to retire bank loans.

Toward the end of last year, the operating statement showed that the loss of stations was steadily declining and in the report for last year, the management states that they look forward during the present year not only to a cessation of this loss but to a small increase.

The stock of this company is not listed on any Exchange. There is a fairly active market maintained for it in Halifax and other Maritime points.

### Enamel and Heating

I have been investigating the possibilities of investing a small sum of money in some of the low-priced common stocks and have had my attention drawn to Enamel & Heating Products. Have you any information on this company?

Enamel and Heating Products' business has been limited. The management has been aggressive, but the company has been handicapped by its inability to complete financing several years ago. During the last two years the company has shown an operating loss, while the working capital position has been unsatisfactory. At the end of 1932, the last year for which a complete report is available, the company had a current bank loan of $255,000 and a special bank loan of $112,250. As security for these loans the banks hold an issue of $400,000 of six per cent first mortgage bonds.

### Canadian Hydro

Canadian Hydro-Electric first preferred is now selling at a substantial discount and yielding a very large return on capital. Is there anything in the company's position which warrants this condition?

Canadian Hydro Electric is the holding company for Gatineau Power. Its financial statements in the last two or three years have shown the 6 per cent dividend earned by a considerable margin. In considering purchase of this stock, it is well to bear in mind that the income received by this company comes after payment of interest on Gatineau Power's first mortgage bonds and debentures. If anything were to happen to Gatineau Power, such as the loss of the Canadian International Paper market, the company might find it difficult to maintain dividends on its common stock so that Canadian Hydro, in turn, could not pay dividends on its first preferred stock. However, this possibility appears to be remote, as the paper company's position has steadily improved over the last six months and the outlook is more encouraging.

### Dominion Tar

Dominion Tar and Chemical common stock has been recommended to me as a speculative purchase. In order that I may make up my mind, I would like a report from you as to the position of the company and prospects over the near future. Also can you let me have the market price for the preferred and common stocks?

Though Dominion Tar and Chemical Co. is the dominant organization in the Canadian creosoting field, the amount of business available to it over the last two years has been limited. Last year the company earned $475,057. Against this there was a charge for depreciation of $424,064 and debenture interest of $337,991. There was a deficit of $293,528 after payment of all charges.

The prosperity of this company is dependent very largely upon orders from the railway, telegraph and telephone companies. The telephone companies have intimated that they do not plan on carrying out any extensive capital expenditures during 1934. As far as the railway and telegraph companies are concerned, it is likely that work this year will be largely confined to maintenance. This view is confirmed by the president of Dominion Tar, who said in the 1933 statement: "Your company depends to a large extent on the business received from the railroads and in view of the uncertainty of this situation at present, the prospects for increased business for 1934 are naturally problematical, but the steady improvement in conditions generally will, it is hoped, if continued throughout the year, have a favorable effect on the company's other activities."

Recent quotations on the common stock have been around 4½, and on the preferred, 29. No dividends are being paid on either class of stock.

# COOKSVILLE CO. OPERATING LOSS LOWER FOR 1933

## Company Sells Part of Port Credit Brick Co. Property

From Our Own Correspondent

MONTREAL—Consolidated statement of the Cooksville Co., and its subsidiaries, Laprairie Co., Interprovincial Brick Co. and Port Credit Brick Co., showed an operating loss for the year, before charging interest on bank and other loans, of $27,623. Interest charges amount to $42,479, a net loss for the year of $71,104. This compares with a net loss of $95,559 in 1932.

One of the principal changes in the company's position last year was the sale of a piece of the Port Credit property. From this transaction, the company received in cash $31,722, while a mortgage of $48,500 was taken on the balance of the sale price due the company. The major portion of the Port Credit Brick property, including the plant, is retained by the company.

Particulars of the profit and loss account for the past three years follow:

| | 1933 | 1932 | 1931 |
|---|---|---|---|
| | $ | $ | $ |
| Oper. prof. .. | *27,626 | *56,629 | 135,463 |
| In. on loans . | 43,478 | 42,330 | 48,983 |
| Balance ... | †71,104 | †95,559 | 86,479 |
| Deprec. .... | ...... | ...... | 50,000 |
| Net prof. ... | †71,104 | †95,559 | 36,479 |
| Pfd. divid. .. | ...... | ...... | 16,000 |
| Surplus ..... | †71,104 | †95,559 | 20,479 |
| Prev. bal. .. | 659,698 | 761,650 | 741,171 |
| Total ..... | 588,593 | 666,091 | 761,650 |
| B. D. Res. .. | ...... | 15,000 | ...... |
| P. & L. bal. | 588,593 | 651,090 | 761,650 |

* Loss. † Deficit.

Working capital position

| | 1933 | 1932 | 1931 |
|---|---|---|---|
| | $ | $ | $ |
| Curr. assets | 197,212 | 262,427 | 537,749 |
| Curr. liabs. . | 766,279 | 771,226 | 842,793 |
| Work. cap. . | *569,067 | *508,799 | *305,044 |

* Excess of current liabilities over current assets.

**Loans Are Higher**

At the end of 1933 the consolidated balance sheet of the Cooksville Co. showed assets totalling $3,414,941 compared with $3,514,107 at the close of 1932. While current accounts payable have been reduced, loans from banks and directors have increased from $699,000 to $706,459. In addition, the company has contingent liabilities in the way of a guarantee of loans from the Bank of Montreal to Laprairie Co., amounting to $359,000 and guarantees a mortgage loan from the Montreal Life Insurance Co. to Interprovincial Brick Co. totalling $56,500.

Mortgages on property of the Port Credit Brick have been reduced from $91,790 to $60,068.

No change has taken place in the oustanding capital stock, while the surplus account now stands at $518,093 compared with $651,090 a year ago.

**Reduction in Inventories**

Examination of the assets shows that among the current accounts, the principal change is a reduction in inventories from $133,291 to $81,612.

A new item among the assets in 1933 was mortgages receivable of $48,500 on account of the sale of part of the property of Port Credit Brick Co.

Investments are practically unchanged at $987,120, while fixed assets have been reduced from $2,231,560 to $2,160,260. Equipment shows a slight increase in book value, now amounting to $10,655.

# INTERPROVINCIAL BRICK REGISTERS OPERATING LOSS

## 1934 Outlook Regarded as More Hopeful by Management

From Our Own Correspondent

MONTREAL — Interprovincial Brick Co., controlled by the Cooksville Co., reports an operating loss for 1933 of $16,635 compared with $22,017 for the previous year.

The volume of business available to the company last year continued at a low ebb, new building being of very limited proportions. Toward the end of the year, however, a certain improvement was evident and the management think that the outlook for the coming year is more hopeful.

Profit and loss accounts figures for the past two years follow:

| | 1933 | 1932 |
|---|---|---|
| | $ | $ |
| Oper. loss ........... | 16,635 | 22,017 |
| Prev. deficit ......... | 114,135 | 92,115 |
| Deficit c.f. ......... | 130,768 | 114,133 |
| **Working Capital Position** | | |
| Curr. assets ......... | 63,717 | 80,469 |
| Curr. liabs. .......... | 3,913 | 2,931 |
| Work. cap. ......... | 59,804 | 77,538 |

**Few Changes in Accounts**

No material changes are noted in the company's balance sheet position, which at the end of 1933 showed assets totalling $627,847 compared with $644,498 at the close of 1932. Accounts payable amount to only $3,913, which is about $1,000 over the previous year. A mortgage loan, payable to the Montreal Life Insurance Co. has been reduced from $57,500 to $56,500.

There has been no change in the outstanding capital stock, while the deficit in the profit and loss account now stands at $130,768, compared with $114,133 a year ago.

The assets remain practically the same as reported in 1932, with the exception that current assets in the aggregate have declined from $80,159 to $63,717. This largely accounts for the decrease in the total value of assets.

# GUARDIAN TRUST GROSS REVENUE LARGER FOR 1933

## Smaller Net Income Cause of Reduction in Dividend on Capital

From Our Own Correspondent

MONTREAL.—Guardian Trust Co. reports an increase in gross revenue during 1933 as compared with 1932, but after providing for prior charges( net income available for dividends amounted to $3,656, or $3,847 less than in the previous year.

Owing to restriction in net income, the management declared dividends of 4 per cent on the capital stock in 1933, as again 7 per cent in the previous year.

Particulars of the profit and loss income account for the past two years follow:

| | 1933 | 1932 |
|---|---|---|
| Gross revenue .......... | $44,249 | $41,149 |
| Profit on invest. sold .. | 327 | 1,443 |
| Net revenue ........... | 44,576 | 42,592 |
| Less: Expenses ....... | 37,420 | 35,089 |
| W/o investments .... | 3,500 | ...... |
| Net income ........... | 3,656 | 7,503 |
| Less: Dividends ...... | 2,946 | 5,155 |
| Balance .............. | 710 | 2,348 |
| Prev. surplus ......... | *5,307 | 3,200 |
| Carried forward ...... | 6,017 | 5,548 |

*Adjusted.

**Company Funds Charges**

At the end of 1933 the balance sheet showed company assets of $145,932. This compares with $144,951 on December 31, 1932. No change has taken place in the capital stock issued as fully paid and partly paid. Current liabilities at $211 are practically the same as a year ago, while additions have been made to the reserve accounts.

The principal change noted in the company's assets is a reduction in first mortgages held from $30,789 to $22,350 and an increase in bonds from $42,871 to $56,800. Loans on stock, bonds and other collateral declined during the year from $27,934 to $23,679. There was also a decline in stocks held by the company from $1,500 to $1,000.

The new items among the company's funds in the 1933 balance sheet cover a loan of $8,875 made to the James T. Stanger and Co., and $6,479 advanced to the Guaranteed Funds Account.

Accounts receivable, less reserve, have declined from $17,623 to $5,722, while cash on hand and in banks is lower by approximately $4,000 at $7,023.

**Guaranteed Funds Less**

Guaranteed Funds of the Guardian Trust Co. show comparatively important changes during the year. These funds are shown on the books at $29,794 compared with $34,656 at the end of 1932. Guaranteed Trust Funds investments have declined from $22,875 to $17,900. Stocks and bonds held in this fund remain unchanged at $11,468, while cash in the bank shows a slight increase at $425.

Estates, trusts and agencies under the administration of the company now total $4,810,074. This represents an increase over 1932, when this account was reported at $4,648,498.

### Montreal Cottons Ltd. Make Changes in Executive

From Our Own Correspondent

MONTREAL. — Shareholders of Montreal Cottons Ltd. adopted the financial statement for 1933 at the annual meeting. At the same time G. Blair Gordon, who has been acting general manager, was named managing director, while Edgar A. Robinson, sales manager, was appointed to the company's board.

The following board was appointed for the current year: Sir Charles B. Gordon, Sir Herbert S. Holt, William Finley, John P. Black, Hon. Raoul Dandurand, Blair Gordon, Edgar A. Robinson.

At a subsequent meeting of the board, the following officers were appointed: president, Sir Charles Gordon; vice-president, Sir Herbert Holt; managing director, G. Blair Gordon; secretary-treasurer, Hugh A. Wilson; assistant secretary-treasurer, C. W. Durnham; general manager, W. G. E. Aird, and sales manager, Edgar A. Robinson.

### Bruck Silk Mills Increase Share Capital

From Our Own Correspondent

MONTREAL. — Shareholders of Bruck Silk Mills have approved of an increase in the capital stock of the company from 100,000 to 150,000 shares, of which 25,000 shares are to be issued.

According to I. I. Bruck, president, proceeds from the issue of the 25,000 shares will be used for the purposes of the company, among which is the financing of movement of goods to foreign markets. The money also will be used to retire bonds if the bonds are offered down to a price where it will become advantageous for the company to purchase them.

The block of 25,000 shares will not be offered to the shareholders in the form of rights, arrangements having been made to underwrite the stock at a price of $18 a share. The president considered the underwriting preferable, as offering the shares to more than 700 shareholders on a pro rata basis might have a possible depressing effect on the market price.

### Acadia Apartments Shows Operating Profit

From Our Own Correspondent

MONTREAL.—Acadia Apartments, owning and operating a large apartment house building on Sherbrooke Street in Montreal, reported an operating profit, after expenses and taxes, of $39,951 in 1933. This compares with first mortgage bond interest requirements of $51,798.

Since the beginning of March last year the company has been in default in respect to its first mortgage bond interest. The Montreal Trust Co. has been acting as agents or administrators for the company and when affairs are on a sounder footing, it is planned to effect a reorganization.

Present prospects are that there will be no material increase in earnings for the current year, but much will depend upon the May 1 rentals.

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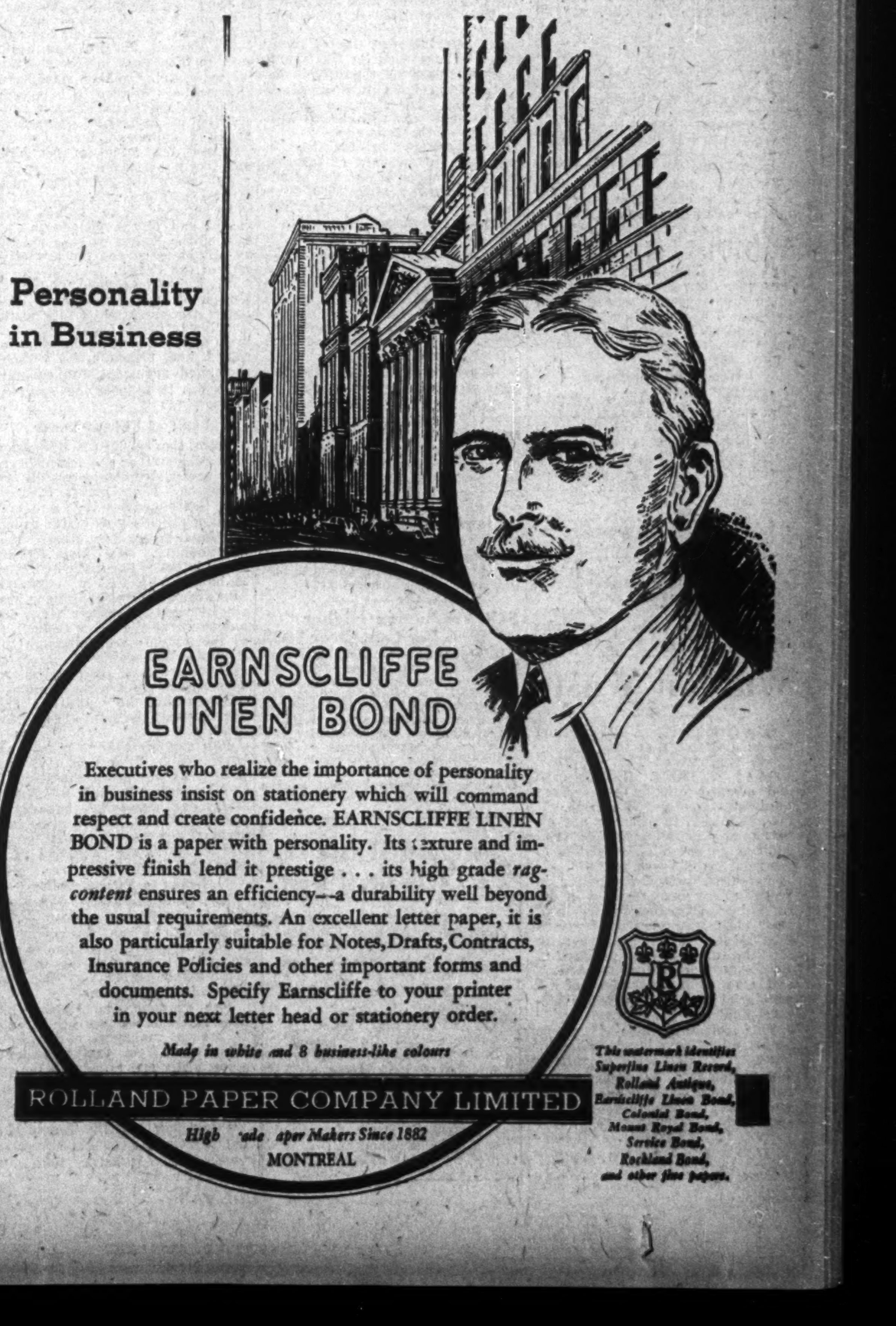

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# TAX DIVIDENDS EARNED ABROAD BY CAN. FIRMS

## Corporations Only Allowed 10% for Depletion On Int. Petroleum

## GIVE EXAMPLES

## Income Tax on Dividends to Canadian Firms Depends on Taxation of Dividend Payer

A corporation executive writes to The Financial Post:

"A Canadian company made a return on profits to Federal Income Tax Department last year and listed dividends from International Petroleum Co. They deducted these dividends on another column on the ground that, it was a Canadian company.

"They have now received word from Ottawa that only 10 per cent of the dividend is deductible from profits as only 10 per cent of the capital of the company is employed in Canadian business.

"This is a new ruling to me."

There is no such ruling, taxing officials inform The Financial Post, and it is believed that there is simply a misunderstanding of the ruling or the act in this case.

The Income Tax Act allows a Canadian corporation to deduct from its taxable income dividends received from other Canadian corporations that have paid Canadian income tax. International Petroleum Co., however, is a Canadian company doing its business outside Canada, and therefore is not taxed by the income tax department, according to taxing authorities and officials of the company.

Hence corporations receiving dividends of International Petroleum as income are not allowed any deduction because no income tax has been paid to the Dominion by International Petroleum Co. They are allowed to deduct from taxable income 10 per cent of the dividends received from International Petroleum because the company is an oil producer and is depleting its resources. This is purely a depletion allowance, and is in no manner whatever connected with the amount of the company's capital employed in Canada, according to authorities.

Among incomes not taxable under the Income Tax Act, section 4, paragraph "K" exempts:

"The income of incorporated companies, except personal corporations, whose business is not only carried on but whose assets are situate entirely outside of Canada."

Because of this section, International Petroleum Co., although incorporated in Canada, is exempted from corporation income tax here, it is stated. An income tax official explains:

"Because of this paragraph ("K" above) we do not tax International Petroleum's profits. Therefore we tax the dividends in full, whether received by corporations or individuals, except for the 10 per cent allowance for depletion, as in the case of other non-resident companies."

### Other Examples

In just the same way, Brazilian Traction Co. and Mexican Light & Power Co. are not taxed on their income by the Canadian income tax department. And corporations receiving as income dividends from these companies are not allowed to deduct same as untaxable. There is not even a depletion allowance because these companies do not get their income from wasting assets, as does International Petroleum Co.

Varying depletion allowances are made to Canadian corporations receiving dividends from companies operating outside Canada. The depletion deductions allowed on dividends received from such companies vary from 10 to 50 per cent. Of course, where there is no depletion there is no deduction allowed. No depletion is allowed, for instance, on Royal Dutch Shell, Sun Oil or Standard Oil of New Jersey. But a 10 per cent allowance is made in the case of International Petroleum, Humble Oil, Standard Oil of New York and of New Jersey. Then in the case of mining companies extracting base metals, a 33⅓ per cent deduction is allowed, and for gold mining companies the deduction is 50 per cent. Except for these depletion allowances, however, Canadian companies receiving as income dividends from companies operating outside Canada, and not paying Canadian income tax, are allowed no deductions.

### Wrong Interpretation

Income tax officials suggest that the wrong interpretation may have been given to the ruling in this particular case because of paragraph "O" of section 4 of the Income Tax Act. This paragraph exempts from Canadian income taxation:

"Dividends received by an incorporated company from a company incorporated outside Canada to the extent that the latter corporation has earned income within Canada and actually paid a tax in respect of such income under this act, etc."

Since International Petroleum Co. is incorporated in Canada, this paragraph does not apply to it.

# War on Waste

City of Edmonton's sinking fund report discloses that total sinking funds required at Dec. 31, 1933, totalled $9,613,971. Besides cash and accrued interest there were total investments of $9,469,560. Of this, $1,525,017 in principal and interest was in default. The total addition to defaulted securities in the fund in 1933 was $142,687.

Moreover, heavy maturities in recent years have resulted in decision by the trustees to dispose of their most readily saleable securities. Consequently the report states that the fund has been depleted of Dominion Government securities, and also of a great deal of its provincial and more readily saleable municipal bonds.

This colossal waste of public money might have been avoided by issue of serial instead of sinking fund debentures. When a city undertakes to invest in bonds of other municipal governments for its sinking fund, it is subject to all the hazards of the investor. If it buys only its own bonds, when they mature, it cannot lose.

### New Trade Commissioner

D. DE WAAL MEYER

Who has been appointed South African trade commissioner for Canada with offices in Barclays Bank Building, Montreal. He succeeds Dr. P. R. Botha, who returns to South Africa.

# Bond Exchange For Montreal Stirs Toronto

The action of members of the Montreal Bond Exchange in applying for power to form a bond exchange to be operated as an extension of activities of the Montreal Stock Exchange may bring similar proposals to a head in Toronto. It has been claimed by the principal houses in Toronto that 80 per cent of the bond business in Canada has been done through Toronto but many investment bankers have been averse to a bond exchange being formed here on the ground that the market is adequately looked after under present conditions.

The Toronto Stock Exchange has power in its charter to form such an exchange. Many investment bankers favor forming one of their own if at all. In New York and London, bond business goes on under the same auspices as stock business, and members of the Toronto Stock Exchange are on the whole favorable to such expansion of activities, it is claimed. Others would like to see investment bankers form an exchange with the idea that a merger might occur later, if advantage could be found in doing so.

The Central Bank formation makes it necessary to have an official organization so that purchases of the bank may be made at official figures.

# B. C. BUDGETING FOR BIG DEFICIT 1934-35 YEAR

## To Ask Power to Refund Entire Debt by Sale of New Bonds

British Columbia's 1934-35 budget anticipates revenues of $19,492,791, and expenditures of $21,609,637. The expected deficit, therefore, will be $2,116,846 without allowing $2,421,621 for sinking funds or some $3,000,000 for unemployment relief, which, if included, would make a deficit of some $7,538,000.

No radical changes in the B. C. financial structure were announced by Hon. John Hart in presenting his budget. Under his debt-refunding scheme, however, sinking funds are to be suspended for five years, so that he does not regard this deduction from expenditure as part of the deficit. The shortage of revenue is expected to be carried with the help of the Dominion.

Only change in taxation is exemption of incomes of married persons of under $1,000, and of unmarried persons under $600, from the one per cent provincial tax. The inoperative meal tax is repealed.

### Grants Increased

Hospitals are to get back $225,000 of grants drastically cut last year, and the University of B. C. is to get a grant of $300,000 instead of $250,000. But municipalities will not get increased grants, although the province will lend them money for relief costs.

Blanket power to refund at lower interest rates, all funded debt, except inscribed sterling stock, will be asked of the legislature. While the bond market does not seem favorable to such an operation, refunding on a 3½ per cent basis would save the province $6,057,392 for the first five years and $2,869,451 for the next 25 years in interest and sinking fund charges. The intention of the Government is to sell new securities for cash, said Mr. Hart, so that the old issues could be called in and redeemed at par if necessary.

## Salt Production Higher By 6 Per Cent Over 1932

Salt production in 1933 increased 6 per cent in quantity over 1932. Salt is produced at the Malagash mine in Nova Scotia by mining methods, and in Ontario, Manitoba and Saskatchewan by pumping brine from wells.

Canadian salt companies now produce an extensive variety of high grade products; various table salts and other grades are manufactured for dairy, highway, chemical, fishery and other purposes.

## Note Interest Rate Cut By Great-West

Great-West Life Assurance Co. has announced that in future the interest rate on notes will be reduced from 7 per cent to 6 per cent. The reduction will go into effect immediately.

The company also announces that its "placed" business for the first two months of 1934 shows a 35 per cent increase. In each month the total has been $1,000,000 in excess of the comparable figure for the corresponding months a year ago.

# *Insurance for Buyer and Seller*

# FEDERAL LICENSE MAY SOON COME FOR MANY FIRMS

## Passage of Insurance Act by Commons Would Remove Obstacles

An open door for the Dominion registry of the New England Factory Mutuals, reciprocal insurance groups, and Lloyd's Underwriters of Great Britain is seen as probable in Canada with defeat in the Canadian Senate last week of the Griesbach amendment which would have required foreign mutual and reciprocal organizations to segregate their assets in Canada for the benefit of Canadian policyholders, in the event of these companies taking out a federal registration. The amendment was defeated in the Senate Banking and Commerce committee by 16 to 3.

The bill as introduced by Senator Meighen having been approved in principle by the senate, it is thought likely it will proceed shortly to the House of Commons. If it passes that body in approximately its present form, it is likely that the New England factory mutuals, various reciprocal insurers and Lloyd's of England, will henceforth seek federal registry. At present they are licensed only provincially although many of these organizations have for some time now had their applications at Ottawa for federal registry.

The new act is bitterly opposed by the majority of joint stock fire and casualty insurance companies now doing business in Canada.

### Two Department Conflict

**From Our Own Correspondent**

OTTAWA — Temporarily relegating the matter of strict supervision of insurance companies to a position of secondary importance, the Senate Banking and Commerce Committee last week approved of the amendments to the Foreign Insurance Companies Act and, in great part, to the Canadian and British Insurance Companies Act.

The committee presented the unprecedented spectacle of a conflict between two departments of the government with Senators voting unwillingly to weaken the supervision of insurance for one purpose only—to strengthen the constitutional position of the Dominion in this field of government.

### Fought By Superintendent

G. D. Finlayson, federal superintendent of insurance, fought the amending bills clause by clause; they were defended with ability by the justice department. The committee which possesses an unbroken record, these past 20 years, of having supported Mr. Finlayson, regretfully was persuaded that a "stripped" federal law will be better than none at all.

Further than this, the committee's discussions and votes were the clearest possible indication that the efforts of the Dominion and the provinces in 1932 to come to terms with respect to insurance jurisdiction have failed of success; that renewed litigation is expected. Judging by Mr. Meighen's remarks, the Dominion, having amended the statutes, will seek the judgment of the Privy Council upon their validity; will strive to obtain a solid footing in Canada's uncertain constitutional terrain from which to carry the battle to the provinces.

### Change of Front

Until the committee got down to work last Wednesday, the amendments were believed doomed to failure. In a number of respects —the deposit feature was dealt with in The Post last week—the revised statutes weaken what have hitherto been deemed to be essential provisions for the efficient supervision of insurance. Numerous Senators expressed their opposition and the defeat of the bills was freely conceded.

But when the committee met several Senators who were known to be antagonistic to the bills were absent and others yielded in the face of the logical defense put up by Mr. Meighen and the law officers of the Crown.

Mr. Finlayson argued for the retention of sections which he contends are essential to his work. The law officers argued for statutes that will be defendable in the courts, and, although not without prolonged argument, the committee chose to support the legal experts.

### Limit of Federal Power

From the committee discussion it is evident that the law officers long ago parted company with Mr. Finlayson. Their points of view are irreconcilable—the one regarding efficiency as of the greatest importance, the others—constitutionality. The law officers made no bones about the difficulty of building up Federal insurance acts without encroaching upon provincial rights. In their view, the judgments of the Privy Council go to this extent—that although the Dominion has power to incorporate a company, it completely lacks authority to say how the company's business shall be managed. This is exclusively the right of the provinces.

Put simply, the new acts are based, section by section, upon such powers as are given expressly to the Dominion by the B.N.A.A.—trade and commerce, bankruptcy and insolvency, immigration and residual powers, not expressly conferred, which are presumed to be with the Dominion.

### Leads to Vicious Policy

Not even the direct statements of Mr. Finlayson regarding the "advantage" which insurance companies have taken of the "weakening" of the Federal law in 1932, could win a majority of the committee to his support.

For example, the Federal law used to enable the insurance branch to prevent managers of insurance companies from taking commissions, additional to salaries, on the new business written each year. He said that since this section had disappeared three or four companies had adopted the commission bonus plan. He thought the policy vicious since it led to taking on unsound risks.

### Returns to Canada

F. B. RELYEA, F.A.S.

Who this month assumes new responsibilities as actuary of the Ontario Equitable Life and Accident Insurance Co. Mr. Relyea, who is a graduate of Toronto University, began his actuarial career with the Manufacturers' Life Assurance Co., and for the past eight years has been associated with the Bankers Life of Des Moines, Iowa, becoming assistant actuary of that company in 1927.

# A. O. F. Seeks To Become Mutual Co.

Application is being made to the federal Parliament by the Ancient Order of Foresters, for power to reincorporate this organization as a mutual life insurance company under the Canadian and British Insurance Act, 1932.

Ancient Order of Foresters was organized in Canada in 1881 and incorporated with federal charter in 1888. It is a branch of one of the oldest insurance institutions in the world, its foundation dating back to the eighteenth century.

In 1928, it opened an industrial branch of its activities with policies available on a monthly or weekly basis.

### Assets of $1,808,000

Latest available figure showed the society to have had at the end of 1932 net admitted assets of $1,808,372 with a total surplus over all liabilities of $190,609. The bulk of its surplus ($147,447) was in the society's mortuary fund. At the end of 1932, the organization reported 6,741 insurance or mortuary certificates in force or a total of $4,702,000. Of these 3,888 certificates to the value of $3,333,000, were for ordinary business and 2,853 were industrial policies. In addition, some 5,850 sickness policies were in force.

The society transacts business in Canada only and an actuarial report by G. D. Buchanan, actuary of the London Life Insurance Co. in respect of the society's funds, was to the effect that "the reserves shown by the company's valuation, together with the contributions to be received from members after the date of valuation according to the scale in force at that date, is sufficient to provide for the payment at maturity of all the obligations of the fund without deduction or abatement."

# ANNUITY SALES BY GOVERNMENT AT NEW PEAK

## Actuarial Soundness of Branch Discussed by Minister

A sharp increase in the sale of federal government annuities during the first nine months of the current fiscal year was reported in the House of Commons last week when Hon. Wesley Gordon, Minister of Labor, was questioned regarding an increased appropriation in respect of administration costs for this branch of the government. The higher amount ($85,000 as compared with $65,000 a year ago) was finally approved by the House.

According to Mr. Gordon, over $5,000,000 of moneys have been received in respect of annuities by the federal government between April 1 and Dec. 31, 1933, which compares with only $3,581,000 received during the entire year 1932-33. The previous high mark for receipts by the branch was in the fiscal year 1928-29 when the department took in $4,272,000 during the twelve-month period.

### Actuarial Soundness Queried

In response to a query by A. A. Heaps, M.P. for Winnipeg, Hon. Mr. Gordon admitted that government annuities were being sold on a more favorable basis than those sold by private companies but expressed the opinion that there were conflicting views as to whether the federal system was on a sound actuarial basis or not.

His remarks were as follows:

"There are conflicting views with regard to the question whether or not one can describe these annuities as being on a sound basis. All governments since the act was passed in 1908 have taken the attitude, and I am inclined to think properly so, that these annuities should be sold on the basis of the government absorbing the cost of administration, because the annuities themselves are limited to $1,200, and the legislation was designed primarily to give an opportunity to those of modest income to take advantage of the annuities during the years when they were able to save something.

"I have heard the question discussed both ways by actuaries representing the annuities branch and by actuaries of companies as to whether these annuities were sold at a more favorable or a less favorable rate than those sold by private companies. I am not an actuary, but I am inclined to think, after listening to both sides, that they are sold at a slightly more favorable rate than the annuities sold by private companies."

# CANADIANS OFFER SPLENDID PAPERS AT WORLD MEET

## Rome Actuarial Congress to See Canada Well Represented

Canadian actuaries have been asked to contribute many important papers for the Tenth International Congress of Actuaries to be held in Rome on May 4 of this year. This Congress was to have been held in Canada last year but for various reasons had to be postponed and is now being assembled in the Italian capital.

Three Canadian insurance executives; namely, T. B. Macaulay, chairman of the board, Sun Life of Canada; J. J. Parker, actuary of the Imperial Life and W. A. P. Wood, actuary to the Canada Life are members of the programme committee and some ten papers are being submitted by Canadian actuaries. The complete list is as follows:

**Papers**

1. "Special Considerations Affecting the Question of Unemployment Insurance in Canada" by Hugh H. Wolfenden, F.I.A., F.A.S., F.S.S.
2. "Disability Insurance in Canada" by H. F. Gundy, F.A.S. and A. M. Campbell, M.A., F.A.S. (Sun Life of Canada).
3. "Group Insurance in Canada," by W. A. P. Wood, B.A., F.A.S., A.I.A., actuary, Canada Life.
4. "Select Tables and Aggregate Tables; Possibility of a Reduction of the Period of Selection" by S. Shannon, M.A., F.A.S., F.A.I.A., Great West Life.
5. "The Progress of Industrial Insurance in Canada Since the London Conference of 1927" by J. D. Buchanan, B.A., F.A.S., London Life.
6. "Depreciation in Investment Values and Profit Scales" by C. C. Ferguson, B.A., F.A.S., A.I.A., general manager, Great-West Life.

**Memoirs:**

1. "Social Insurance in Canada; Old Age and Invalidity Benefits, Mothers' Pensions, Accidents and Sickness Benefits" by A. D. Watson, F.I.A., F.A.S., Federal Insurance Department, Ottawa.
2. "Life Insurance without Medical Examination; a Review of its Inauguration, Development and Present Status" by V. R. Smith, M.A., F.A.S. F.A.I.A., general manager and actuary, Confederation Life.
3. "Suicides in Canada," by J. B. Mabon, F.A.S., F.I.A., Sun Life.
4. "Health Service, an Outline of What Has Been Done by Canadian Companies in the Interests of Public Health Movements" by E. E. Reid, B.A., F.A.S., and A.I.A., managing director, London Life Insurance Co.
5. "Aviation Risks" by C. F. B. Richardson, F.A.S., A.I.A., Confederation Life Association.

It is expected that many Canadian actuaries will attend the Congress. Those who have already signified their intention to attend include H. R. Stephenson, general manager, Crown Life Assurance Co.; W. H. Sommerville, general manager Mutual Life of Canada; E. Gordon Beattie, Associated Actuary, Canada Life; W. H. Gilleland, Federal Insurance Department; F. A. Johnston of Montreal, formerly vice-president of the Prudential Insurance Co. of America.

Arthur Pedoe, actuary for Canada, Prudential Assurance of England, is attending the Congress as a British representative and is submitting a paper through his home office.

## *Insurance Problems*

Insurance questions of general interest submitted by subscribers of The Financial Post will be answered in this column. Other enquiries will be answered by mail. A three-cent stamp should be enclosed to cover a direct reply.

### Manufacturers Life

I have a 20-year contract with the Manufacturers Life Insurance Co. which is fully paid up and payable to me mithin a short time.

Should I have an insurance man look it over to see that I get all that was promised and that I am entitled to, or should I take what is offered?

We feel you need not be concerned in respect of your contract with the Manufacturers Life.

We have always found this company very fair and generous in its treatment of policyholders and we doubt if there would be anything to be gained by having us look over your policy.

If there are any specific points on which you are in doubt, we suggest you communicate directly with the head office of the company and there is no question but that the officers will give you a fair and reasonable answer.

## Dominion Life Ranks Tenth in Total Business

In respect of its gross business in force, Dominion Life Insurance Co. with head office at Waterloo ranks as the tenth largest Canadian life insurance company.

This is the ranking shown by The Financial Post in a special statistical table prepared by The Financial Post in its annual review of life insurance (Mar. 17 issue). Unfortunately the individual analysis of the company stated in error that the company ranked twelfth in point of business in force.

## Insurance Week Separate in Canada

Due to differences in climatic conditions, Canada will this year celebrate on a separate date the annual "financial independence week," sponsored by life insurance companies on this continent for the past two or three years.

Dates for the Canadian drive are set at May 28 to June 2 whereas the American plans are being carried out this week, March 19 to 24. As was the case last year, the majority if not all Canadian companies are expected to cooperate in various activities which will include institutional advertising through special posters, service clubs, church and newspaper tie-up and so forth.

## Sun Life Retains '33 Dividend Scale

Dividends to policyholders of the Sun Life of Canada, effective as from April 1, 1934, will be continued on the same scale paid during the past year, according to an announcement made by Arthur B. Wood, president and managing director, following a meeting of the board of directors.

On proceeds of policies left on deposit with the company interest will be allowed at the rate of 4¼ per cent per annum, commencing April 1, 1934, and on dividends left on deposit the rate will be 4 per cent per annum. The corresponding figures during the past year have been 4¾ per cent and 4½ per cent respectively.

# NEW YORK LIFE ANALYZES '33 CLAIMS

## Heart Disease Takes Biggest Toll — $70,000,000 Paid in All

Analysis of death claims paid by New York Life during 1933 is made in connection with the company's annual statement issued last week. This discloses that last year the company paid 16,182 death claims amounting to $70,190,268, to widows, children and other beneficiaries. Principal causes of death were: Heart disease, 19 per cent; cancer and tumor, 12 per cent; accidents, 9 per cent; influenza and pneumonia, 9 per cent; apoplexy, 7 per cent and consumption 5 per cent.

Death claims of $1,416,947 were paid on the lives of 431 policyholders who died within one year after taking out their insurance, and $1,536,824 was paid on the lives of 413 who died during their second insurance year. Seventeen policyholders died within one month after taking out their insurance and 203 died within the first six months. Thirty-seven carried insurance of $100,000 or more.

There were 720 accident claims paid in connection with 977 policies which contained double indemnity provisions. The total amount of double indemnity paid in addition to the face of the policies was $2,687,309. Automobile accidents accounted for 46 per cent of all accidental deaths.

The company's Canadian figures disclose new paid for business in Canin 1933 at $6,101,706 while total business in force in Canada includes $161,055,970 of ordinary participating business and $9,564,100 non-par business making a total of $170,620,000. Interest earned on mean invested assets was 4.56 per cent.

Total new paid for business in 1933 was $378,670,000, the amount outstanding at the end of the year being $6,869,268,000 represented by 2,672,876 policies.

T. MILTON TAYLOR, formerly supervisor of Ontario agencies for the Great-West Life is now active manager of the Central Ontario branch.

Established 1869
Strength•
Stability•
Assurances in Force (Dec. 31, 1933) ....$518,521,336.00
Assets ......$138,912,508.00
Surplus Funds and Contingency Reserves $11,917,520.04
A Purely Mutual Company
Every dollar of surplus earnings belongs to policy-holders and is either actually paid or allotted as cash dividends or held in trust for future distribution.
THE MUTUAL LIFE Assurance Company OF CANADA
HEAD OFFICE – WATERLOO, ONT.

DURING THE THREE YEARS
1931 - 1932 - 1933
THE SUN LIFE ASSURANCE COMPANY OF CANADA
Paid in Cash to Policyholders and Beneficiaries
$328,000,000
AN AVERAGE OF
$364,000
FOR EVERY WORKING DAY
There is a Sun Life Policy exactly suited to every requirement, and free assurance counsel is available on request.
Sun Life Assurance Company of Canada
HEAD OFFICE — MONTREAL

## C. W. Tyre New Manager of Phoenix of England

C. W. C. Tyre, formerly assistant manager of the "Phoenix" group in Canada has been appointed Canadian manager to succeed J. B. Paterson, who retired recently after 44 years of service with the company. William Lawrie, formerly deputy assistant manager becomes assistant manager and E. H. S. Low is promoted to the position of deputy assistant. J. C. Urquhart continues as secretary of the company in Canada.

J. B. Paterson has been associated with the Phoenix (first British insurance company to be established in Canada) since 1890. In 1899 he was appointed one of the company's chief agents in Canada and in 1910 made joint manager with his brother, the late R. MacD. Paterson. Since the death of the latter in 1922, Mr. Paterson has been sole manager for Canada.

Upon his retirement, Mr. Paterson becomes a member of the Canadian board of directors of the Phoenix Assurance Co. He will also continue in his position as president of the North Empire Fire Insurance Co.

A. G. SMITH, formerly of the Ottawa branch, has been appointed to assist Mr. Taylor as supervisor of branches.

## New Ontario Legislation Affects Insurance Adjusters

A new clause contained in current amendments to the Ontario Insurance Act, now before the legislature, permits the insurance superintendent of that province to license automobile insurance adjusters. Heretofore adjusters of fire insurance losses only have been required to be licensed.

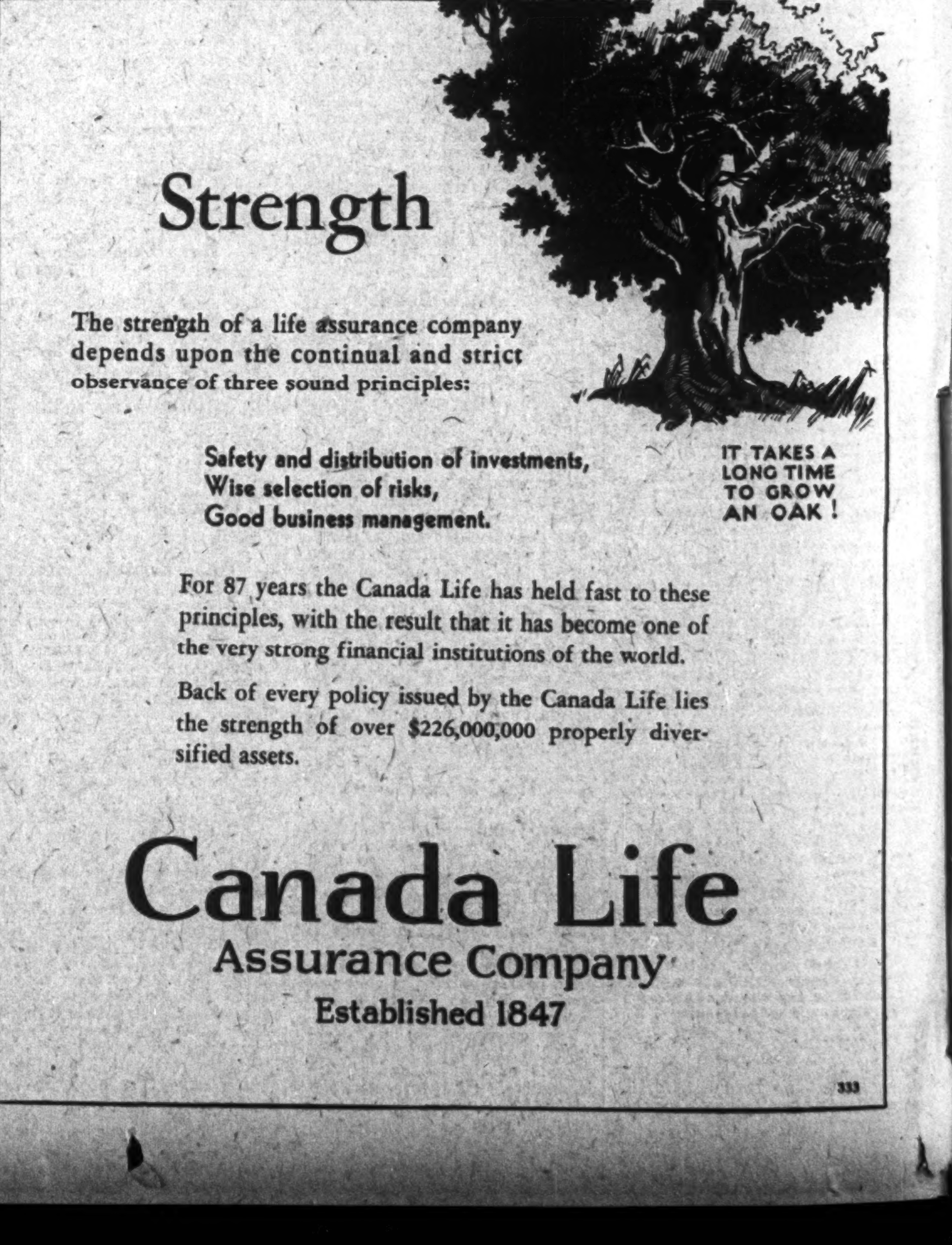
Complaints of "ambulance chasing" by adjusters of automobile claims have been made and the amendment aims to bring such adjusters under department regulation. A further amendment prohibits an insurance agent or broker from holding an adjusters license.

THE
WESTERN EMPIRE
Life Assurance Company
HEAD OFFICE
701 Somerset Building
Winnipeg, Man.
Branch Offices:
SASKATOON EDMONTON
CALGARY VANCOUVER

PROTECTION
The Independent Order of Foresters is a fraternal benefit society operating under a lodge system and existing for the purpose of affording to men and women the completest protection at the minimum cost. This protection covers practically every phase of family life. In addition to the protection afforded through its Insurance and Sick Benefit Departments, a number of practical fraternal benefits are available to its members.
Assets — $49,000,000.00
Independent Order of Foresters
FRANK E. HAND Supreme Chief Ranger
HEAD OFFICE: TORONTO, CAN.

NORTHWESTERN MUTUAL FIRE ASSOCIATION
SEATTLE WASHINGTON
HEAD OFFICE FOR CANADA HAMILTON ONTARIO
WRITING FIRE AND AUTOMOBILE INSURANCE AT COST. ASSETS $4,616,449.70
BRANCH OFFICES
Toronto
Ottawa
Vancouver
Victoria
Edmonton
Calgary
Saskatoon
Winnipeg
Montreal
Quebec City
St. John
Halifax
ALL POLICIES NON-ASSESSABLE, PAYING DIVIDENDS RANGING FROM 20% TO 30%

"Canada's Largest Fire Mutual"
The WAWANESA MUTUAL INSURANCE CO.
HEAD OFFICE—WAWANESA, MAN.
Operating in Quebec, Ontario, Manitoba, Saskatchewan, Alberta and British Columbia
FIRE WINDSTORM SPRINKLER LEAKAGE AUTOMOBILE
LIABILITY DOCTORS AND DENTISTS LIABILITY PLATE GLASS
Insurance in force .................... over $243,000,000
APPLICATIONS INVITED FOR AGENCIES IN ALL PROVINCES
Eastern Offices: 341 CHURCH ST., TORONTO



Strength
The strength of a life assurance company depends upon the continual and strict observance of three sound principles:
Safety and distribution of investments,
Wise selection of risks,
Good business management.
IT TAKES A LONG TIME TO GROW AN OAK !
For 87 years the Canada Life has held fast to these principles, with the result that it has become one of the very strong financial institutions of the world.
Back of every policy issued by the Canada Life lies the strength of over $226,000,000 properly diversified assets.
Canada Life
Assurance Company
Established 1847
333

# Bank Chat on Current Topics

### Bank Ads. Feature Foods

A PRESS report features the fact that the Anglo-California National Bank in a large newspaper display featured Libby, McNeil & Libby history. The advertisement is used by the bank to illustrate some of their accounts in a series entitled "Growing and Building With the West."

Similarly, the bank recently featured California Packing Corporation "From Mission Orchards to California's Second Largest Industry." The Hawaiian Pineapple Co. and California & Hawaiian Sugar Refining Corp. are included in the series.

* * *

### Would Remove Double Liability

A BILL sponsored by Senator W. G. McAdoo in the U.S. Senate would provide that the double liability on national bank shares be removed entirely after July 1, 1935. It would also extend the period that banks can carry other real estate to seven years with the permission of the comptroller. In Canada the double liability feature of bank shares will be gradually eliminated as the banks withdraw the amount of their own notes in circulation. Since the Bank Act, presently proposed, does not provide that the note issue of the chartered banks will be reduced under an amount that is 25 per cent of paid-up capital within the next ten years it appears that Canadian bank shares will continue to carry a liability of at least 25 per cent of par value.

## Staff Changes

The Bank of Montreal announces the following staff changes:

A. MacKenzie, manager at Gull Lake has been appointed manager at The Pas, Man.

K. S. GRANT, manager at Myrnam, has been appointed manager at Rose Valley.

J. F. GRANT, Saskatoon, has been appointed manager at Myrnam.

W. C. MORLEY, manager at Rose Valley goes to Senlac as manager.

W. C. KING, manager at Bedford goes to Aurora as manager.

The Royal Bank announces the following staff changes:

E. J. REYNO, accountant at Antigonish goes to Amherst, N.S., as accountant.

C. A. REID, accountant at Sault Ste. Marie, goes to Steelton branch, Sault Ste. Marie as manager.

J. C. STEWART, assistant accountant at Guelph goes to Sault Ste. Marie, as accountant.

R. E. CULBERT, manager at Steelton branch, Sault Ste. Marie, goes to Thorold, Ont., as manager.

A. L. SMART, manager at Langdon, goes to Bowden, Alta., as manager.

B. L. ROBINSON, manager at Bowden, Alta., goes to Morinville, Alta., as manager.

D. A. KING, manager at Ponce, P.R., goes to Santiago de los Caballeros, D.R., as manager.

F. R. COLON, manager at Santiago de los Caballeros goes to Mayaguez, P.R., as manager.

S. E. RAE, supervisor's department, Winnipeg, has been appointed manager at Grain Exchange branch, Winnipeg.

J. M. STEWART, Toronto, has been appointed manager at Enterprise, Ont.

G. PETRIE, manager at Farnham, goes to Drummondville, Que., as manager.

W. PHILIP, Galt, Ont., and R. H. KILLALY, Lambeth, Ont., retired on pension during February.

## *Foreign Exchange*

RECENT developments in foreign exchange have not disturbed the general position of the franc, the pound and the dollar. The situation can be summarized: trade and investment influences have brought the Canadian and American dollars to virtual parity, and for foreign exchange purposes they are moving almost as a unit. Sterling is steady at about $5.10, this being attributed to dullness of trading and British desire not to depreciate the pound to the embarrassment of the franc. France has been relieved of a gold drain, but the franc rate on London is said to be sustained above 77 francs to prevent recurrence of the gold exports.

Stabilization of sterling, it is claimed, will be undertaken only after some time has elapsed to allow settlement of international economic factors. Devaluation is considered certain. Canada's monetary policy will be affected by what is done with sterling. French policy is problematical because not to devalue the franc may prove economically difficult, yet Frenchmen want to cling to the present gold basis. And international policy will depend in no small measure on American willingness to stick to the present devaluation basis, according to authorities.

FOREIGN EXCHANGE

New York Funds

| | High (Premium) | Low (Premium) | Last Year High (Premium) | Last Year Low (Premium) |
|---|---|---|---|---|
| | % | % | % | % |
| Mar. 13 | 3/32 | Par | Bank | |
| Mar. 14 | 1/16 | Par | Holiday | |
| Mar. 15 | 1/16 | 1/32 | ...... | |
| Mar. 16 | 3/32 | 1/16 | ...... | |
| Mar. 17 | ⅛ | 3/32 | 18 11/16 | 18 |
| Mar. 19 | ⅛ | 1/16 | 19⅛ | 18⅝ |

STERLING, FRANCS AND LIRE

Close: Demand in New York

| | Sterling | Francs | Lire |
|---|---|---|---|
| Gold par | $4.866 | $0.03918 | $0.0526 |
| Mar. 13 | 5.10 | .0658½ | .0858 |
| Mar. 14 | 5.10 | .0658¼ | .0857½ |
| Mar. 15 | 5.09⅞ | .0658½ | .0857½ |
| Mar. 16 | 5.09⅝ | .0658¼ | .0857* |
| Mar. 17 | 5.09¾ | .0658 | .0857½ |
| Mar. 19 | 5.10½ | .0658 | .0857½ |

Close: Demand in Toronto

| | Sterling | Francs | Lire |
|---|---|---|---|
| Gold par | $4.866 | $0.03918 | $0.0526 |
| Mar. 13 | 5.10¼ | 0.0658½ | 0.0859 |
| Mar. 14 | 5.10½ | 0.0658½ | 0.0858 |
| Mar. 15 | 5.10¼ | 0.0658½ | 0.0858 |
| Mar. 16 | 5.10 | 0.0659 | 0.0859 |
| Mar. 17 | 5.09¾ | 0.0659 | 0.0858½ |
| Mar. 19 | 5.11 | 0.0659 | 0.0858 |

| | Reichsmarks | Belga | Yen |
|---|---|---|---|
| Gold par | $0.238 | $0.139 | $0.498 |
| Mar. 13 | 0.3976 | 0.2335 | 0.3051 |
| Mar. 14 | 0.3976 | 0.2334½ | 0.3052 |
| Mar. 15 | 0.3977 | 0.2334½ | 0.3047 |
| Mar. 16 | 0.3976 | 0.2336 | 0.3044 |
| Mar. 17 | 0.3975 | 0.2333 | 0.3043 |
| Mar. 19 | 0.3955½ | 0.2325 | 0.3042 |

### Export Canned Goods

Canada exported 1,909,238 cases of canned fruits and vegetables during 1933, which was an increase of 24.6 per cent over the 1932 export, and 38.7 per cent more than that of 1931, says a report of the Department of Agriculture, and 3,748 bags of various fruit and vegetable products were shipped out of the country last year.

# *Banking World Events*

## NEW YORK OFFERS MOST CONVENIENT EXCHANGE MART

### Rates on Foreign Exchange Closely in Line With London

### RISK IS REDUCED

The reasons why New York is the principal foreign exchange centre for Canada were discussed at some length by Emil Sauer, United States Consul General at Toronto, in an address on "Foreign Exchange" delivered before the Counsel Club at London, Ont., recently. While Mr. Sauer declined to comment on the effect that the proposed central bank would have on foreign exchanges he stated that his experience with the chartered banks over a nine year period has been entirely commendatory.

New York is considered by Mr. Sauer to be the logical market in which Canadians can carry on foreign exchange operations. Not only is New York the closest and most convenient market but exchange rates prevailing are not out of line with rates in other principal exchange centres in the world. While both European exchange markets and the New York market are open rates are kept in line by arbitrage operations. After 12 o'clock, Eastern Standard Time, European exchange markets are closed and New York is the only exchange market of importance that is open.

The part of Mr. Sauer's address pertaining to the New York foreign exchange market is as follows:

"Regarding the question as to why Canada deals largely through New York as a foreign exchange market, we should first of all take into consideration that in view of the large and extensive trade connections New York has with all parts of the world, it has built up connections with exchange markets in other centres and for its own trade must keep in close touch with exchange values in all other countries. In New York there will be found traders in practically every exchange with the result that it is always possible to buy and sell any exchange there at a fair international, competitive price.

**Time Factor Important**

"The second point to consider is that the bank or other exchange dealer ordinarily does not speculate or take any risk in foreign exchange transactions, but covers as soon as a transaction is made. He simply acts as an intermediary between buyer and seller charging as his commission the small difference between the buying and the selling rate. This means that if the banker or other exchange dealer sells, he must know that there is a source of supply and he must know the approximate rate at which that supply can be secured, and when he buys, he must know what demand there exists and the price at which he can at once dispose of the supply. In times of unusual instability, as occurred often in the last two and a half years, the margin between the buying and selling rate might have appeared excessive, but this has happened because material changes in the rate might occur at any moment and the dealers had to assume a greater risk. The main point to consider, however, is that for the banker or other exchange dealer, risk or speculation is avoided to the maximum extent possible and immediately upon buying or selling he covers the transaction by a counter transaction.

**Facilities Are Good**

"To a certain extent buying and selling orders received at the same bank are set off against each other, but the bank and dealer must be in constant touch with the outside, that is, the local, as well as distant markets. In United States dollar operations, there is always a large market to be found locally, particularly in Toronto and Montreal, on account of the very considerable commercial and financial transactions that pass between the two countries. There is also a local market for certain other leading exchanges, but failing this, there are nearly always several markets where cover can be secured, such as London, Paris, Zurich and Amsterdam as well as New York. The more distant the market is from Canada, the more expensive would be the cable charges and the greater the difference in time. New York happens to be the nearest large exchange market, and a most intricate system of private communication has been established which keeps traders between Canada and New York in constant communication.

"The exchange centres of continental Europe, including Paris, deal largely through London in Canadian and United States dollar transactions, and in actual practice the prevailing rates in different centres are such that the Canadia traders limit themselves to two centres outside of Canada, namely, New York and London, where the rates are the best obtainable. Of these two, New York has the advantage because London is five hours earlier than New York, Toronto and Montreal, which is to say that when the London exchange market closes, at the latest 5 o'clock, it is 12 o'clock noon in New York, Toronto and Montreal. After that New York is practically the only market outside of Canada that comes into consideration.

**Rates Are the Same**

"I have said that New York and London offer the best foreign exchange rates to Canada and the question now is how do they compare while both are open, which is to say until noon every day. Those who have daily experience in foreign exchange dealings through these markets will at once say that the rates are the same. They are kept the same through arbitrage dealings. If, for example, New York should quote too low a rate for the Canadian dollar or London should quote a higher rate for Canada, then New York, Toronto and Montreal will buy sterling in London against Canadian dollars, with the sterling they will buy U.S. dollars and with the U. S. dollars buy back Canadian dollars if a profit is to be made by the transactions. This is what is known as arbitrage, which is going on right along to keep currencies in line in different world financial centres, and it is remarkable on how small a fraction of one per cent arbitrage operations are found profitable.

"Rates at New York and London are therefore the same for the Canadian trade up to 12 o'clock, when both New York and London are open. In fact it can be laid down as a definite rule that the sterling rate for Canada is the New York-London rate plus or minus premium or discount between New York and Canada. New York, however, has the advantage, even when rates are the same, because of the closer and quicker communication. As I stated, there has been built up a most complete system of private wire communication between Canadian centres and New York. Communication with New York is practically the same as communication within the city itself, while communication with London generally means a delay of at least 10 to 20 minutes besides entailing added expense. A Toronto trader told me that when he needed cover for any exchange transaction, he generally needed it immediately and to await a reply from London might make him lose the market, which is to say the rate might change before he gets a reply.

"Summarizing, the rates for Canada in New York and London are the same up to 12 o'clock, but New York has an advantage in closer and quicker communication, while after 12 o'clock, New York is practically the only foreign centre that can come into consideration for the Canadian trader.

"The question now arises, does New York charge monopoly rates while London is closed. The answer is no. There is too much competition and the traders in New York are as anxious as they are here not to speculate and not to hold over a transaction until the next day when this can be avoided. In fact, I have been assured by Canadian bankers that the Canadian banks with their branches in New York City exercise a greater influence on the New York-Canada rates than the New York banks.

## Regina Office To Be Opened By Farm Body

Special Correspondence

WINNIPEG.—Saskatchewan activities of the Colonization Finance Corp. of this city will be centralized in Regina as a result of the decision of the management to open an office in the Western capital, The Financial Post learns from T. O. F. Herzer, general manager.

The farm management work of the corporation has expanded in the last four years until at the present time nearly one-half of its acreage under management is in Saskatchewan.

It is also learned that the operating headquarters of the Canada Colonization Association in Saskatchewan will be consolidated with the Regina office of the C.F.C. A fully-experienced staff from the head office of the C. F. C. in Winnipeg is being transferred to Regina to ensure efficient operation.

With new properties taken on during the past winter, the Colonization Finance Corp. will have about 1,800 farms aggregating about 600,000 acres by April 1. Of these farms under management, about 75 per cent are operated by the owners either as mortgagors or purchasers and only 25 per cent as tenants.

## BROMPTON PAPER OPERATES AT LOSS DURING LAST YEAR

### Directors Are Hopeful of Showing Profit in 1934

From Our Own Correspondent

MONTREAL.—Varied conditions were experienced by Brompton Pulp and Paper Co., controlled by St. Lawrence Corp., during the past year.

Operations resulted in a loss of $262,350. The total deficit for the year, without making provision for depreciation on the Brompton and McCrea-Wilson properties, with $803,491. This compared with $1,429,019, after provision for heavy inventory write-offs and other charges, in 1932.

The balance sheet shows that the company's financial position is less liquid than a year ago. Cash and call loans have declined from over $500,000 to $81,389. The funded debt of the McCrea, Wilson Lumber Co., on the other hand, was reduced by $132,000 during the year.

**Settle For Tonnage**

One of the features of the report was the settlement made by St. Lawrence Paper Mills with Brompton for tonnage transferred. Settlement has been made for $271,541, which item is shown on the balance sheet as a "deferred as set."

Following is the comparative profit and loss account for the past two years:

| | 1933 $ | 1932 $ |
|---|---|---|
| Loss on operations | 262,350 | 670,931 |
| Depreciation | *51,919 | 101,131 |
| Depletion | ...... | 8,631 |
| W/o inventories | 63,046 | 648,326 |
| Deficit for year | †377,315 | †1,429,019 |
| Add: Prev. surplus | †459,776 | 1,328,900 |
| Less: Profit bonds red. | 33,600 | 14,860 |
| Add: Fire loss Brompton | ...... | 56,586 |
| W/o investments | ...... | 317,431 |
| Deficit forward | 803,491 | 459,776 |

*Claremont Paper only. †Deficit.

Reserves and capital surplus arising out from consolidation show relatively little change. Current liabilities have advanced from $220,763 to $347,659. Deferred accounts payable are down from $50,900 to $18,844. Deferred credits arising out of the settlement with St. Lawrence Paper Mills, are shown on the books at $279,993.

Among the assets property account is much the same as a year ago. Investment in associated companies has increased from a nominal figure of $6 to $51,206.

**Cash Resources Less**

Changes among the current assets include the calling in of $401,104 in call loans and an increase in accounts and bills receivable from $497,041 to $906,167.

Inventories have been reduced from $910,524 to $637,491. Investments are carried on the books at a cost of $128,240 and are shown to have a market value of $79,840. In the 1932 statement investments had a book value of $79,840. In the 1932 statement investments had a book value of $212,220 and a market value of $170,000.

**More Hopeful Outlook**

In the report to the shareholders, A. F. White, president, had the following to say in part:

"While the results for the year are disappointing, the last half year period was substantially better than the first, and at the year end indications of continued improvement were in evidence. During 1933 great difficulty was experienced with the company's supply of wood, due to the accumulation of a large amount of old wood of poor quality. By December, however, this condition had been remedied, and the company started off in 1934 with a large supply of excellent wood at a satisfactory cost.

## SUPREME COURT TO END TROUBLE ON TARIFF BOARD

### Dispute With National Revenue Department Goes to Bench

From Our Own Correspondent

OTTAWA.—The contest between the tariff board and the National Revenue Department has crystallized in a decision by the government to submit a reference to the Supreme Court of Canada.

The status of the tariff board is now to be determined. The government's decision was the result of the recent hearing by the cabinet of the appeal of Doon Twines, of Kitchener, against a ruling of the board (October 31, 1933) declaring invalid the arbitrary valuation imposed on British twines.

**Two Questions**

The text of the reference has not been announced, but judging from the statements in the commons by Premier R. B. Bennett last week, the government does not intend to hazard these valuations before the court. The questions to be answered will probably be:—

Does the tariff board possess power to deal with matters of law?

Was the board's ruling in the twine case valid or invalid?

If the answer to the first question is in the negative the board will cease to be an appeal court in matters of tariff administration and will become purely an advisory body much as was the old Liberal Advisory Board. If the first question is answered in the negative it will also follow that the second will encounter the declaration that the twine order was invalid.

**No Recognition Meanwhile**

Pending the outcome of this reference, which will not be heard by the court for some weeks it is practically certain that the department will decline to acknowledge the competency of the Tariff Board to sit as a court of appeal in matters of tariff administration.

This "show down" affects but one branch of the Board's functions. As originally constituted the powers of the Board were two-fold:

1. The Board was to act as a tariff advisory body, carrying out investigations when requested to do so by the Minister of Finance and making reports containing recommendations which the cabinet could accept or reject as it saw fit. It was in this capacity that the Board was to function under the Ottawa Treaties.

2. The Board was to take over the functions of the old Customs Appeal Board and to hear all appeals lodged by importers against decisions of the department as to appraisal and classification.

**Result of Vital Consequence**

It is with respect to the latter power that the controversy with the department has arisen, leading to the Supreme Court reference. Involved in the reference is a broad question of vital consequence to everyone doing business under the tariff.

Briefly, the question at issue is whether or not there shall be any appeal on questions of tariff administration from the decisions of the National Revenue department. Until the enactment in 1931 of the Tariff Commission Act, the department was a law unto itself. The old Tariff Advisory Board of the Liberal régime had nothing whatever to do with tariff enforcement, was purely advisory. By what was said at the appeal hearing on Saturday morning it would now appear that the present government would like to transform the present Commission into something similar to the old board.

**Former Status Unsound**

Prior to the creation of the present board the National Revenue Department enforced the tariff as it saw fit. If anybody was dissatisfied and desired to appeal from a decision by a customs official, the appeal lay to the Customs Appeal Board, which comprised the senior officers of the department. In other words, the appeal lay to the very persons who were responsible for the original decision. R. W. Breadner, as Commissioner of Customs, might instruct his customs officers at Montreal to deal with a shipment of goods in a certain way. If the importer thought he had been unlawfully treated he could appeal to the Customs Appeal Board, where he would be confronted by Mr. Breadner, in the capacity of appeal judge.

This state of affairs was repeatedly exposed in The Financial Post in the years preceding 1931. The need of an independent judicial body to pass upon the administrative acts of the department was stressed. The Tariff and Customs Acts, it was pointed out, were laws and ought to be enforced in the same way—i.e., with the right of appeal to a competent juridical body.

**Increasing Conflict**

With the advent of the Tariff Board in 1933 this reform seemed assured. Since the Board began to function last summer there have been numerous appeals from department rulings and while in the bulk of cases the department has been upheld, in several the Board has found that the law was not being enforced. The department, more particularly before the recent reorganization, gave every indication of resenting this invasion of its traditional freedom from control between the department and the Board has gradually grown in intensity.

If the Supreme Court should now decide that the Board lacks jurisdiction to deal with matters of law enforcement, then the Board will cease to function as a Tariff Appeal Court and will continue only as an advisory body. In this event the department will once more be freed of all restraint. And it is important to note that the whole trouble has arisen out of the fact that upon several important points of law the Board has ruled that the department is violating the statutes.

**Jute and Tinplate**

The most important dispute is the jute twine case, which arose last October when a Montreal importer of British twine appealed against the arbitrary valuation enforced by the department.

The next point of conflict between the department and the Board is the dump duty imposed on tinplate last year. The last chapter in this dispute has just been written, and constitutes a decision by the National Revenue Department to accept the ruling of the Tariff Board that the dump duties were illegally collected in the period between the closing of the Ojibway plant in June, 1933, and the opening of the British plant at Sarnia in December. The department now announces that all dump duty collected in this period will be refunded. The basis of this decision rests upon the Customs Act which provides that dump duty can only be imposed on goods of a class or kind made in Canada. The department now concedes that tinplate was not being made in Canada during this period.

The concession undoubtedly places the department as it was prior to the reorganization in a very bad light and reveals the Tariff Board as the one branch of government concerned with tariff enforcement that has sincerely endeavored to enforce the law.

## Sound Methods Needed For Unemployment Funds

### New Study by Canadian Actuary Suggests Definite Plan Based on Sound Principles

Based on an exhaustive study of existing unemployment insurance plans and proposals on this continent and throughout the world, a broad scheme suitable for operation in Canada is proposed in a new book: "Unemployment Funds—a Survey and Proposal" published this week by Hugh H. Wolfenden, well-known Toronto actuary.

The plan is based on the author's belief that only by approaching the problem of unemployment from a sound philosophical and actuarial point of view, can any solution be achieved which will stand the test of good and bad times alike. He discusses and makes critical analyses of the various plans already in operation throughout the world and gives specific consideration from a Canadian viewpoint as to whether the principles of "compensation," "insurance," "pooled reserves," "employer reserves," "employee savings" or "relief" are advisable methods for providing unemployment funds.

**Employee Savings Best**

This study narrows the field down to "employee savings" as the most suitable in that this plan avoids to a marked degree the basic difficulties of all other proposals and becomes, in the words of the author, "the most generally satisfactory method of approach" to the problem of providing unemployment funds.

Mr. Wolfenden's specific plan would attempt solution of the problem in a threefold manner.

1. An Unemployment Assistance Fund to which initial contributions would be required for all wage earners; such contributions to be subsequently matched by the employer. The fund would be administered jointly, the monies being trusteed and available under definite restrictions to meet a limited volume of unemployment.

2. An Employees Savings Funds maintained solely by the employee's own contributions but required to be set up on a prescribed basis in which the employee's contribution would remain his own, subject to withdrawal under certain stated conditions at any time to meet the needs of sickness, disability, old age or death, or for payment during employment, after benefits from the Unemployment Assistance Fund have ceased. To this fund, it is deemed that the state might consider matched contributions, once the initiative has been undertaken by the individual. This would recognize and encourage organized thrift.

3. Finally, if both the assistance fund and savings plans are adopted, recourse to the state could then be permitted, subject to strict tests of both "means" and "need" and subject to "a recognition of the fact that the receipt of relief establishes an obligation to the community which should be discharged by the performance of labor or other appropriate services by the recipient."

**Contains New Features**

Students of the problem of making financial provision for unemployment will recognize that an essential difference between Mr. Wolfenden's plan and any which has so far been proposed is that it attempts to put into distinct and proper categories the place which the employer, the employee and the state should occupy in any sound scheme.

To the casual observer this may not seem an important distinction but as Mr. Wolfenden points out, by achieving a plan composed of three separate yet related funds, there is no indiscriminate pooling of the several contributions; the interests and rights of each of the three parties are perfectly clear; there is little temptation for the employer to take advantage of his position or for the employee to malinger or press for relaxation in the conditions or increases in the benefits; nor is the state placed in the position of dividing a supposedly inexhaustible fund upon which all may draw with impunity.

**Less Danger of Abuse**

Thus, Mr. Wolfenden believes that there is much less danger of abuse in his scheme since its principles will have the effect of encouraging the employer, employee, state officials and the taxpayers to work in harmony and sympathy rather than with the "selfish manoeuvres for advantage which so frequently endanger plans of this kind and constitute so fertile a ground for the activities of agitators."

In other words, Mr. Wolfenden has attempted to get behind the common conception of what is required in an unemployment fund and to sugggest some plan which would at least be based on a sound economic and social philosophy in keeping with the present day facts of our economic system.

**Individual Responsibility**

He conceives it to be essential, for instance, that some system be devised which will retain for the individual the fundamental fact of his own responsibility, while giving adequate play to the viewpoint that both the state and the employer should "assist" first by creating the necessary organization and secondly by matching employee contributions once the initiative has been taken by the employee himself. Thus, for instance, he criticises sharply the effect of joint contributions by the employer, employee and state, to a single fund. This method, he shows, invariably results in the contribution of the employee forming not over one-third of the total contribution which makes it looked upon as the least necessary contribution, "whereas ethically it should be considered the most necessary."

In the two funds here proposed, however, the employee's contribution forms the cornerstone; once made, it is matched; if it is not made, it is not matched. The word "match" is not intended to mean necessarily dollar for dollar. It is intended to imply simply that when the employee has shown his good faith, the employer first, then afterwards the state, (quite separately) will assist him.

"The organization of financial assistance to the unemployed through first, the Unemployed Assistance Fund, then the Employees Savings Fund and finally the Relief Fund contemplated here, would not reduce the cost or make easier the prediction of that cost; it might well, however, encourage thrift, responsibility and co-operation—and therefore greater mutual confidence—with the result that funds collected for one purpose would not, however unintentionally, be appropriated for another."

**General Approach**

In a final chapter, Mr. Wolfenden lists some six additional suggestions which he considers to be the most important and the most practicable of the many which have been proposed in this and other countries as valuable aids toward any specific plan of unemployment fund. These have to do with (1) such matters as an economic or welfare council for each province or for Canada, to keep an eye permanently on problems of production, trade, hours of work and so forth; (2) recognition of the possibility of federal or provincial public work planned in advance; (3) the appointment of personal economic advisory officers to give disinterested advice to individuals in matters affecting their economc welfare; (4) a more comprehensive investigation of wage scales to maintain fair and reasonable standards. A notable omission is any discussion regarding overhauling and expansion of our employment exchanges—usually considered a primary point of attack on this problem.

A final suggestion is of importance; namely that education be more universally undertaken regarding the "minimum obligations of citizenship" with a view to "inculcating in every citizen a thorough realization of the paramount importance of a sense of responsibility both during adolescent and adult life, and of the importance of the citizen being required always to give something adequate in the nature of a minimum return (such as work in return for relief) if he is to receive direct assistance from the state."

**Good Task Accomplished**

Undoubtedly, Mr. Wolfenden has performed an able service in doing some clear thinking for Canada in rspect of unemployment problems. The general nature of his book, however, illustrates one fundamental weakness in Canada; namely, the lack of specific information as to the extent and nature of our unemployment problem in Canada. True, Mr. Wolfenden agrees with Sir Alfred Watson, government actuary of the United Kingdom that any liability incurred under a system of unemployment insurance is not ascertainable by reference to past experience whether covering one year or a period of years. Nevertheless, it does seem that the formulation of a sound policy for Canada is dependent on a thorough appraisal of the Canadian wage earner with particular reference to earnings, unemployment, distribution between industries and so forth.

Perhaps Mr. Wolfenden who has already contributed an important book entitled "The Real Meaning of Social Insurance" will continue his studies which are being made under the auspices of the Canadian Life Insurance Officers Association and, having formulated sound principles of approach, attempt to tie them up more closely with the specific needs of Canadian wage earners. For instance he indicates that employee savings funds could be made to cover agriculturists, all types of seasonal workers, and casual, intermittent and short-time workers, as well as purely "normal" and "stable" employees. This seems on the surface to be rather a large order and one which in itself might well be elaborated upon as far as Canada is concerned, with considerable profit.

"Unemployment Funds" is published by the Macmillans in Canada. Price $2 (carriage extra).

## Imported Candy Now Pays 2 Cents Sugar Tax

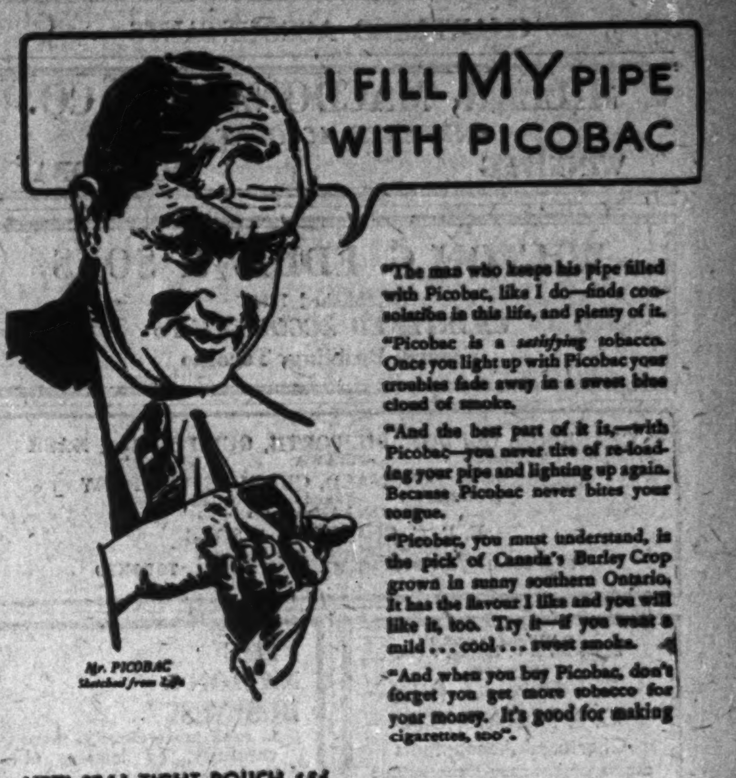
Imported sugar candy and confectionery will in future pay the two cents excise tax which the domestic product has been subject to since the last budget, according to a ruling issued recently by The Department of National Revenue.

The idea, it is understood, is to equalize the tax in its application to the domestic and imported products. At the last session the Government was empowered to impose the sugar tax on imported goods if it saw fit to do so. The tax has not however, been applied up to the present time.

**Dominion Life Writes Big Volume**

Ford S. Kumpf, president and managing director of Dominion Life, was presented this week with 165 applications totalling $575,743 of business and representing a one week new business campaign by the company's agency force from all territories where the company operates.

Mr. Kumpf had just returned from a short vacation.



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## STATUTE TO CURB TWISTING POLICIES

### Sale of Industrial Policies Also Banned by Ontario Statute

Legislation making it an offense to "traffic or trade in life insurance policies for the purpose of procuring the sale, surrender, transfer assignment, pledge or hypothecation thereof" is being introduced at the present session of the Ontario legislature. The offense would be punishable by a fine of not less than $20 and not more than $200.

The new clause is an attempt to stop by statutory means a practice which has sprung up within the past year whereby concerns and individuals made a practice of buying up for cash, industrial insurance policies on which no loan value was available until the end of the tenth year.

Another amendment of interest to life insurance is a new section calculated to prohibit malpractices which have grown up in the life insurance agency business under the term "twisting" and which are deemed "inimical to the best interests of policyholders and applicants for life insurance."

The new clause reads as follows:

"268a. Any person licensed as an agent for life insurance under this act who induces, directly or indirectly, an insured to lapse, forfeit or surrender for cash, or for paid up or extended insurance, or for other valuable consideration, his contract of life insurance with one insurer in order to effect a contract of life insurance with another insurer, or makes any false or misleading statement or representation in the solicitation or negotiation of insurance, or coerces or proposes, directly or indirectly, to coerce a prospective buyer of life insurance through the influence of a business or a professional relationship or otherwise, to give a preference in respect to the placing of life insurance which would not be otherwise given in the effecting of a life insurance contract, shall be guilty of an offence."

## Weekly Bank Clearings

| | Mar. 15 1934 $ | Change year ago % | Mar. 8 1934 $ |
|---|---|---|---|
| Halifax | 1,692,677 | +6.1 | 2,149,003 |
| Saint John | 1,284,610 | +9.7 | 1,661,217 |
| Moncton | 518,961 | +25.1 | 688,118 |
| Sherbrooke | 433,250 | —1.6 | 515,333 |
| Quebec | 3,122,149 | +0.2 | 4,027,206 |
| Montreal | 73,684,115 | +27.1 | 88,213,752 |
| Ottawa | 3,435,280 | +18.8 | 4,411,504 |
| Kingston | 459,542 | +19.5 | 502,226 |
| Peterborough | 536,388 | +28.8 | 620,605 |
| Toronto | 109,180,708 | +33.3 | 108,109,275 |
| Hamilton | 3,320,093 | +31.3 | 3,912,522 |
| Kitchener | 966,966 | +59.4 | 1,098,454 |
| Brantford | 703,071 | +27.9 | 738,042 |
| London | 2,100,818 | +14.9 | 2,407,405 |
| Chatham | 390,225 | +13.0 | 389,089 |
| Windsor | 1,999,727 | +22.4 | 2,086,460 |
| Sarnia | 375,801 | +42.1 | 428,163 |
| Sudbury | 684,554 | +78.1 | 587,932 |
| Ft. William | 427,627 | +13.8 | 541,259 |
| Winnipeg | 34,058,195 | —8.6 | 34,189,854 |
| Brandon | 235,051 | +11.0 | 261,065 |
| Regina | 2,378,528 | —15.2 | 3,162,699 |
| Moose Jaw | 387,780 | +16.9 | 472,941 |
| Saskatoon | 897,183 | +9.2 | 1,184,701 |
| Pr. Albert | 276,716 | +53.5 | 268,293 |
| Edmonton | 3,366,149 | +17.4 | 3,900,748 |
| Calgary | 3,825,847 | —2.2 | 4,352,346 |
| Medicine Hat | 183,189 | +24.9 | 195,349 |
| Lethbridge | 317,718 | +20.0 | 338,932 |
| N. W'minster | 373,958 | +24.8 | 512,691 |
| Vancouver | 13,683,949 | +42.5 | 15,470,279 |
| Victoria | 1,383,232 | +34.5 | 1,730,136 |

## Quebec Adjusters' Bill Reintroduced by Stockwell

Hon. R. F. Stockwell, Provincial Treasurer of Quebec, who withdrew his bill to put public adjusters out of business, has redrafted it. Protests against the original one were numerous not only from public adjusters but from the public. The revised bill calls for the licensing of public adjusters by the Superintendent of Insurance, the fee to be fixed by the Lieutenant-Governor in Council.

It provides further that adjusters for the assured may not charge more than 10 per cent of the amount of the damages suffered by victims in case of fire, that they must report regularly to the Superintendent of Insurance regarding activities and income, and must not make any private contract with any person or corporation claiming damages.

The Superintendent of Insurance would have the right to cancel the license of any adjuster who did not live up to such conditions. The bill, however, will only come into effect by the passing of an order-in-council.

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10c. weekly — $5.00 per year
TORONTO — MONTREAL

To All Shareholders:

SISCOE GOLD MINES
LIMITED

Extract from the minutes of the Monthly Meeting of Directors on March 19, 1934:

"IT was moved by Mr. Ford, seconded by Mr. Lynch:

"INASMUCH as by resolution of this board, passed at a meeting held on the 10th day of February, 1934, a proxy naming the president and vice-president was authorized to be sent to the shareholders for the annual meeting to be held on the 28th instant.

"INASMUCH as said resolution was unanimously passed at the said directors' meeting.

"INASMUCH as the president has allowed his name to appear in a proxy sent out to the shareholders by certain parties under the self-styled appellation of 'The Shareholders' Protective Committee' and in the circular-letter accompanying such proxies, the shareholders were asked, if they used the proxy form authorized by this board as aforesaid, to strike therefrom the name of the vice-president.

"INASMUCH as the proxy form authorized by this board as aforesaid has been by the action of the president and the so-called 'The Shareholders' Protective Committee' rendered useless.

"INASMUCH as this board would not have resolved to place the president's name on its official proxy, had it known that the president would work with the so-called 'The Shareholders' Protective Committee' in opposition to the wishes of this board as expressed in the aforesaid resolution.

"NOW, there be and it is hereby resolved:—

"THAT the act of the vice-president in sending out new proxies to the shareholders for the appointment of W. A. Fensom, failing whom, J. B. Lynch, and failing whom G. N. Coyle, as proxy for the shareholders be, and the same is hereby ratified and approved and the said proxy last mentioned is hereby declared to be the official proxy of this board."

Below is a reproduction of the official proxy. If you are a shareholder and have not received one, please fill out this form and mail at once. Proxies received after 2 p.m. Monday, March 26, cannot be voted.

CLIP AND MAIL

W. A. Fensom, Vice-President,
Siscoe Gold Mines, Limited,
Room 906-A, Dominion Square Building,
1010 St. Catherine St. West, Montreal.

Please State Number of Shares ....................

PROXY

KNOW ALL MEN BY THESE PRESENTS THAT the undersigned does hereby make, constitute and appoint W. A. FENSOM, whom failing, J. B. LYNCH, whom failing, G. N. COYLE, attorney for and in the name of the undersigned to vote as proxy upon all shares of SISCOE GOLD MINES LIMITED owned by the undersigned or standing in the name of the undersigned in the books of the said company, at the annual meeting of shareholders to be held in the Rose Room of the Windsor Hotel in the City of Montreal on the 28th day of March, 1934, at two o'clock in the afternoon, or at any adjournment or adjournments of the said meeting.

The undersigned does hereby grant unto the said attorneys, full power of substitution in the premises and does ratify and confirm all that the said attorneys, or any duly appointed substitute or substitutes may validly do in the premises, and does hereby revoke any and all proxies bearing date earlier than the date hereof or heretofore given to any other person or persons whatsoever, to vote at the said meeting or any adjournment or adjournments thereof.

Dated at .............................. this twenty-sixth day of March, 1934.

.............................. Witness sign here. .............................. Shareholder sign here.

*We Recommend the purchase of*

NICOLA MINES & METALS
Listed on the Vancouver Stock Exchange
AT THE MARKET
Special Circular on Request
T. H. McWHIRTER COMPANY
LIMITED
STOCK BROKERS
Federal Bldg. • Toronto, Can.
ADelaide 6093 (All Lines)

## Halifax Activity On Greater Scale

From Our Own Correspondent

MONTREAL. — Cargo tonnage handled inward and outward through the Port of Halifax during February, 1934, is reported at 210,255 tons compared with 162,815 tons in the same month last year. The movement of cargo last month is the second highest on record, being exceeded only in December, 1933.

Since the beginning of 1934 the total cargo tonnage handled inward and outward amounted to 381,403 tons, as compared with 281,036 tons for the first two months of 1933, or an increase of 36 per cent.

It is of interest to note that while inward tonnage was fairly constant, very substantial increases are shown in the outward or export movement, the total for the first two months of 1934 being 219,260 tons as against 144,142 tons for the same period of 1933.

Last month a total of 345 vessels entered the port, compared with 359 for February, 1932. The net registered tonnage is reported at 935,494 tons, down from 1,001,434 tons for the same month last year.

A. J. Pattison, Jr. & Co.
LIMITED
(Established in 1907)
INVESTMENT BANKERS
3rd Floor, Royal Bank • Toronto, Can.

# WEEK'S CANADIAN STOCK AND BOND QUOTATIONS

## *Montreal, Toronto and Curb Markets*

WEEK ENDING MARCH 19

| Range 1934 High | Low | Divd. Rate in $ | Yield in % Mar. 17 | | Sales | Close Mar. 12 (or last) | Week Ending —Mar. 19— High | Low | Close |
|---|---|---|---|---|---|---|---|---|---|
| | | | | A | | | | | |
| 2.50 | .90 | . | ... | Abitibi | 2151 | 2.00 | 1.85 | 1.70 | 1.70 |
| 10 | 4½ | . | ... | Do. pref. 6% | 941 | 8 | 8 | 7 | 8 |
| 6¾ | 5½ | . | ... | Do cert. of de. | 125 | 6 | 6½ | 6¼ | 6½ |
| 80 | 80 | . | ... | Acme F. D'y p | .... | .. | .. | .. | .. |
| 8½ | 6 | 20c | ... | Agnew Surp. | 65 | 8 | 8 | 7 | 8 |
| 83½ | 72 | 7 | 8.7 | Do. pref. | 10 | 80 | 83½ | 83½ | 83½ |
| 7 | 3 | . | ... | Alta. Pac. Gr. | 250 | 4½ | 4½ | 3¾ | 4 |
| 23 | 16 | . | ... | Do. pref. | 60 | 22 | 22 | 21¾ | 22 |
| 2½ | 2½ | . | ... | Amal. Electric | .... | 2½ | .. | .. | .. |
| 12 | 10 | . | ... | Do. pref. | .... | 12 | .. | .. | .. |
| x3½ | 3½ | . | ... | Anglo. N. Hold. | .... | .. | .. | .. | .. |
| §1.00 | .15 | . | ... | Asbestos | .... | .. | .. | .. | .. |
| §2 | ½ | . | ... | Do. pref. | .... | .. | .. | .. | .. |
| 13 | 9½ | 25c | ... | Assoc. Brew. | 117 | 12½ | 12½ | 11 | 11½ |
| 91 | 85 | 7 | 7.7 | Do. pref. | .... | 91 | .. | .. | .. |
| 4½ | 4½ | . | ... | Assoc. Can. | .... | .. | .. | .. | .. |
| | | | | B | | | | | |
| 145 | 138 | 10 | 7.1 | Bk. Can. Nat. | 24 | 143 | 143 | 142 | 142½ |
| 203 | 167 | 8 | 4 | Bk. Montreal | 317 | 197 | 199 | 194 | 196 |
| 278 | 267½ | 12 | 4.4 | Bk. N. Scotia | 270 | 270 | 270 | 269 | 269 |
| 205 | 161½ | 10 | 4.9 | Bk. Toronto | 126 | 203 | 205 | 203 | 204 |
| 16½ | 16½ | . | ... | Barcelona | .... | .. | .. | .. | .. |
| 8¾ | 3 | . | ... | Bathurst Pr. | 1295 | 7½ | 7½ | 6 | 6 |
| 3½ | 1½ | . | ... | Do. (B) | 430 | 3 | 3 | 3 | 3 |
| 1½ | 1½ | . | ... | Bawlf Grain | .... | ½ | .. | .. | .. |
| 12 | 7 | . | ... | Do. pref. | 25 | 12 | 10½ | 10½ | 10½ |
| 4 | 3½ | . | ... | Beath & Sons | .... | 3½ | .. | .. | .. |
| 10 | 6½ | . | ... | Beatty Bros. A | 10 | 9 | 8 | 8 | 8 |
| 82 | 69 | 6 | 7.3 | Do. pref. | .... | 82 | .. | .. | .. |
| 9½ | 3½ | . | ... | Beauharnois | 9307 | 7½ | 9⅝ | 7⅛ | 8 |
| 80 | 65 | 4 | 5 | Belding Cort. | 36 | 78 | 80 | 80 | 80 |
| 97 | 97 | 7 | 7.2 | Do. pref. | .... | 97 | .. | .. | .. |
| 120 | 110 | 6 | 5 | Bell Telephone | 694 | 119 | 120 | 119 | 119 |
| 12 | 7½ | 50c | 4.2 | Biltmore Hats | 110 | 8½ | 12 | 10 | 10 |
| 85 | 85 | 7 | 8.2 | Do. pref. | .... | 85 | .. | .. | .. |
| 3 | 2 | . | ... | Bissell, T. E. | 125 | 2 | 3 | 2¾ | 2¾ |
| 29 | 28 | . | ... | Do. pref. | 5 | 28 | 28 | 28 | 28 |
| 5 | 4 | . | ... | Blue Ribbon | 268 | 4 | 4½ | 4 | 4½ |
| 32 | 23 | 2 | 6.4 | Do. pref. | 180 | 31½ | 31 | 31 | 31 |
| 25 | 22 | 2 | 8.3 | Brant. Cd. pf. | 165 | 23½ | 24 | 24 | 24 |
| 14⅝ | 10½ | . | ... | Brazilian Tr. | 10707 | 12½ | 12½ | 11½ | 11½ |
| 2.95 | 2.45 | 10c | ... | Brew. & Distil. | 9880 | 2.50 | 2.60 | 2.45 | 2.50 |
| 10⅝ | 5⅝ | . | ... | Brewing Corp. | 21449 | 10 | 10½ | 9 | 9½ |
| 25½ | 15½ | . | ... | Do. pref. | 7952 | 24½ | 25½ | 23 | 23½ |
| 10 | 10 | 10c | ... | Bright, T. G. c | .... | 10 | .. | .. | .. |
| 15⅝ | 12½ | 80c | 5.2 | Brit. Amer. Oil | 13605 | 14½ | 15⅝ | 14½ | 15⅝ |
| 3¾ | 2½ | . | ... | B. C. Packers | 560 | 3½ | 3½ | 3 | 3 |
| 13 | 10 | . | ... | Do. pref. | 120 | 12 | 11½ | 11 | 11½ |
| 32½ | 22½ | 1.50 | 4.8 | B. C. Power A | 1135 | 31 | 31½ | 29½ | 29½ |
| 8½ | 4½ | . | ... | Do. (B) | 1085 | 7½ | 7½ | 6½ | 7 |
| 22 | 16 | 1 | 4.5 | Bruck S. Mills | 14985 | 20½ | 22 | 19½ | 20 |
| 23½ | 16½ | 1 | 4.5 | Building Prod. | 85 | 22 | 22 | 21½ | 21½ |
| 33 | 27 | 2 | 6.1 | Burt, F. N. | 270 | 33 | 33 | 32½ | 32½ |
| | | | | C | | | | | |
| x125 | 125 | 6 | ... | Calgary Pr. | .... | .. | .. | .. | .. |
| 5½ | 3 | . | ... | Canada Bread | 135 | 4 | 4 | 3½ | 3½ |
| 50 | 41 | . | ... | Do. pref. A. | .... | 41 | .. | .. | .. |
| 14½ | 8 | . | ... | Do. pref. B. | .... | 12 | .. | .. | .. |
| 12 | 7½ | . | ... | Canada Bud | 12804 | 11½ | 12 | 10½ | 11½ |
| 12 | 6⅝ | . | ... | Canada Cement | 38596 | 11½ | 11½ | 8 | 8½ |
| 53 | 32 | . | ... | Do. pref. | 2631 | 50 | 50 | 42 | 45 |
| 29½ | 24½ | 1 | 3.9 | Canada Dry | 1011 | 25 | 25½ | 24½ | 24½ |
| 6½ | 4 | . | ... | Can. Forg. A. | .... | 6 | .. | .. | .. |
| 4 | 4 | . | ... | Do. (B) | .... | 4 | .. | .. | .. |
| x15 | 15 | . | ... | Canada Iron | .... | .. | .. | .. | .. |
| 52 | 50 | 3 | 6 | Do. pref. | .... | 50 | .. | .. | .. |
| §*425 | 405 | 20 | ... | Canada Life | .... | .. | .. | .. | .. |
| 35½ | 28 | 1.50 | 4.3 | Can. Malting | 3048 | 35½ | 35½ | 33 | 33½ |
| 22½ | 16½ | 1+10c | 5 | Can. Nor. Pr. | 2035 | 22 | 22 | 21 | 21½ |
| 100 | 88½ | 7 | 7 | Do. pref. | 357 | 95 | 100 | 99 | 100 |
| .10 | .10 | . | ... | Can. Paving | .... | .10 | .. | .. | .. |
| 4 | 4 | . | ... | Do. pref. | .... | 4 | .. | .. | .. |
| 140 | 118 | 8 | 5.8 | Can. Penman | 9 | 140 | 138 | 138 | 138 |
| 3.00 | .70 | . | ... | Can. Steamsh's | 340 | 2.00 | 2.75 | 2.37 | 2.75 |
| 7½ | 2½ | . | ... | Do. pref. | 200 | 5½ | 5½ | 5 | 5½ |
| 27½ | 21½ | 1.60 | 6.1 | Can. Vinegars | 115 | 26½ | 26½ | 25½ | 26 |
| 25 | 24 | . | ... | Can. W. Cable | 12 | 24½ | 24½ | 24 | 24½ |
| 12½ | 5½ | . | ... | Do. (B) | 13 | 12 | 12½ | 12 | 12½ |
| 4 | 4 | . | ... | Can. Bakeries | .... | 4 | .. | .. | .. |
| 12 | 10½ | . | ... | Do. pref. | .... | 12 | .. | .. | .. |
| 166 | 127 | 8 | 4.9 | Can. Bk. Com. | 408 | 161 | 163 | 160 | 160 |
| 27 | 17 | 60c | 2.3 | Can. Bronze | 95 | 27 | 27 | 26 | 26 |
| 101 | 95 | 7 | 6.9 | Do. pref. | .... | 101 | .. | .. | .. |
| 8½ | 6 | . | ... | Can. Canners | 674 | 7½ | 8 | 7½ | 8 |
| 86½ | 75 | 6 | 7 | Do. 1st pfd. | 103 | 85½ | 86½ | 85 | 86½ |
| 10½ | 8½ | 30c | 3.1 | Do. 2nd. pfd. | 535 | 9½ | 10 | 9½ | 9¾ |
| 9½ | 6½ | . | ... | Can. Car & F'y | 2625 | 9½ | 9⅝ | 8½ | 8½ |
| 16 | 11½ | . | ... | Do. pref. | 525 | 16½ | 15½ | 15 | 15 |
| 22½ | 16 | . | ... | Can. Celanese | 3263 | 20½ | 22½ | 20 | 20 |
| 117½ | 104 | 7 | 6.1 | Do. pref. | 250 | 117½ | 115⅝ | 115 | 115 |
| 45 | 30 | 2 | 4.8 | Can. Convert. | 20 | 45 | 42 | 42 | 42 |
| 72 | 41 | 4 | 5.6 | Can. Cottons | .... | 72 | .. | .. | .. |
| 92 | 70 | 6 | 6.5 | Do. pref. | 25 | 92 | 90 | 90 | 90 |
| 34½ | 20 | 1 | 3.8 | Can. Dredge | 5027 | 33½ | 33 | 25½ | 25½ |
| 106½ | 106½ | 7 | 6.6 | Do. pref. | .... | 106½ | .. | .. | .. |
| §80 | 79 | 6 | ... | Can. Fairb. pf. | .... | 80 | .. | .. | .. |
| 15 | 9 | 25c | ... | Can. For. Inv. | .... | 13 | .. | .. | .. |
| 91 | 80 | 8 | 9.2 | Do. pref. | 20 | 85 | 87 | 87 | 87 |
| 138 | 124½ | 3 | 2.2 | Can. Gen. Elec. | 3 | 131 | 138 | 138 | 138 |
| 61½ | 59 | 3.50 | 5.8 | Do. pref. | 37 | 60 | 61 | 59½ | 61 |
| §6½ | 4 | . | ... | Can. G. Inv. T. | .... | 6½ | .. | .. | .. |
| 75 | 54½ | 6 | 8.3 | Can. Hyd. E. p | 635 | 70½ | 75 | 70½ | 72 |
| 20½ | 15 | . | ... | Can. Ind. Alc. | 5461 | 16½ | 16½ | 15 | 15 |
| 19½ | 14 | . | ... | Do. (B) | 390 | 16½ | 16½ | 15 | 16½ |
| 152 | 148 | 3.50 | 2.3 | Can. Indust. B | 5 | 150½ | 152 | 152 | 152 |
| 132½ | 128 | 7 | 5.3 | Do. pref. | .... | 132½ | .. | .. | .. |
| †5.00 | 3.95 | . | ... | Can. Int. I. Tr. | .... | .. | .. | .. | .. |
| †70 | 64½ | . | ... | Do. pref. | .... | .. | .. | .. | .. |
| 40 | 20 | 1 | 3.3 | Can. Lt. & Pr. | .... | 30 | .. | .. | .. |
| 2 | 2 | . | ... | Can. Locomo. | .... | 2 | .. | .. | .. |
| 4½ | 2 | . | ... | Can. Marconi | 51581 | 4 | 4½ | 3½ | 3½ |
| 14½ | 12 | 50c | 3.6 | Canadian Oil | 220 | 13½ | 14 | 13½ | 13½ |
| 97 | 92 | 8 | 8.3 | Do. pref. | .... | 96 | .. | .. | .. |
| 18½ | 12½ | . | ... | Can. Pacific | 9933 | 18 | 18½ | 16½ | 16½ |
| 3 | 3 | . | ... | Can. Vickers | 235 | 3 | 3 | 3 | 3 |
| 6½ | 4½ | . | ... | Do. pref. | 35 | 4½ | 6½ | 6 | 6 |
| §49 | 46 | 2 | ... | C. West'ghouse | .... | 49 | .. | .. | .. |
| 11½ | 8½ | 20c | 2.2 | Can. Wineries | 1545 | 9½ | 9½ | 9 | 9 |
| 16½ | 13 | 1.50 | 10.7 | Can. Wire Box | 30 | 14½ | 14 | 14 | 14 |
| 8½ | 8½ | . | ... | Catelli Mac A. | 40 | 8½ | 8½ | 8½ | 8½ |
| 2½ | 2 | . | ... | Do. (B) | 6 | 2½ | 2½ | 2½ | 2½ |
| §245 | 245 | 8 | ... | Cent. Can. L'n | .... | 245 | .. | .. | .. |
| 3.50 | 1.61 | . | ... | Chem Research | 12670 | 3.25 | 3.20 | 2.92 | 2.97 |
| 14½ | 9 | . | ... | City Gas & El. | 778 | 14½ | 14½ | 14½ | 14½ |
| .80 | .40 | . | ... | Claude Neon | 255 | .60 | .65 | .60 | .60 |
| 11 | 7½ | . | ... | Cockshutt Plow | 1090 | 9 | 9½ | 8½ | 8½ |
| 1.50 | .95 | . | ... | Comm. Alcohol | 355 | 1.25 | 1.25 | 1.00 | 1.10 |
| 2 | 2 | . | ... | Conduits | .... | 2 | .. | .. | .. |
| †94 | 84 | . | ... | Do. pref. | .... | .. | .. | .. | .. |
| 12½ | 7½ | 25c | .. | Cons. Bakeries | 1785 | 10½ | 10½ | 9½ | 10 |
| 1.50 | .40 | . | ... | Cons. Indust. | 620 | .40 | .50 | .50 | .50 |
| 8½ | 1½ | . | ... | Cons. Paper | 2567 | 2½ | 3 | 2½ | 2½ |
| 11½ | 6 | . | ... | Cons. Press | 190 | 8 | 11 | 10 | 11 |
| x35 | 30 | . | ... | Cons. Sand, p. | .... | .. | .. | .. | .. |
| 170½ | 132 | 1.50 | .. | Cons. Smelters | 354 | 166 | 170½ | 160 | 161 |
| 180 | 165 | 10 | 5.6 | Consumers' Gas | 185 | 179 | 180 | 178 | 178 |
| 23 | 23 | . | ... | Corr. P. Box p. | .... | 23 | .. | .. | .. |
| 10½ | 5½ | . | ... | Cosgrave Brew. | 4819 | 9½ | 10½ | 9 | 9½ |
| 11½ | 7½ | . | ... | Cosmos Imp. | 248 | 11 | 11½ | 10 | 11 |
| 87½ | 80 | 3.50 | 4 | Do. pref. | .... | 87 | .. | .. | .. |
| 3 | 2 | . | ... | Crown Dom. Oil | 85 | 2½ | 3 | 3 | 3 |
| 16 | 16 | 2 | ... | Crow's N. Coal | 35 | .. | 16 | 16 | 16 |
| | | | | D | | | | | |
| 1 | 1 | . | ... | David & Fre. B | 8 | 1 | 1 | 1 | 1 |
| 2 | 2 | . | ... | Do. (A) | 20 | 2 | 2 | 2 | 2 |
| 4½ | 1 | . | ... | De Havilland | 125 | 2½ | 2½ | 2½ | 2½ |
| 30 | 22 | . | ... | Do. pref. | .... | 24 | .. | .. | .. |
| †9 | 5 | . | ... | Disher Steel | .... | .. | .. | .. | .. |
| 6 | 6 | . | ... | Do. pref. | .... | 6 | .. | .. | .. |
| 26½ | 19 | . | ... | Distill-Seagram | 6250 | 20½ | 20½ | 19 | 19 |
| §8 | 7 | . | ... | Dodge (A) pf. | .... | 7 | .. | .. | .. |
| §2 | 2 | . | ... | Do. (B) | .... | 2 | .. | .. | .. |
| 186 | 133 | 10 | 5.4 | Dom. Bank | 218 | 186 | 186 | 181½ | 181½ |
| 37 | 25½ | 2 | 5.9 | Dom. Bridge | 7929 | 35½ | 36 | 32½ | 34 |
| 53½ | 10 | . | ... | Dom. Coal | 729 | 45 | 53½ | 45 | 52 |
| 28 | 20 | . | ... | Dom. Engineer | 50 | 27½ | 25½ | 25 | 25 |
| 99 | 81 | 5 | 5.1 | Dom. Glass | 9 | 95½ | 99 | 99 | 99 |
| 120 | 113 | 7 | 5.8 | Do. pref. | .... | .. | .. | .. | .. |
| .90 | .50 | . | ... | Dom. Motors | 285 | .55 | .50 | .50 | .50 |
| 80 | 80 | 7 | ... | Dom. Rubber | 5 | .. | 80 | 80 | 80 |
| 4½ | 2½ | . | ... | Dom. St. & C B | 3297 | 4½ | 4½ | 4 | 4 |
| 23 | 19½ | 1.20 | 5.3 | Dom. Stores | 855 | 22½ | 22½ | 20½ | 20½ |
| 5½ | 2½ | . | ... | Dom. Tar & Ch | 155 | 4½ | 4½ | 3½ | 4 |
| 29½ | 15 | . | ... | Do. pref. | 135 | 27½ | 28 | 27½ | 27½ |
| 82 | 67 | 4 | 5 | Dom. Textile | 1362 | 81½ | 82 | 80 | 81 |
| 120½ | 112 | 7 | 5.8 | Do. pref. | 75 | 120½ | 120½ | 120½ | 120½ |
| 7½ | 4 | . | ... | Dryden Paper | 435 | 5½ | 6 | 5½ | 6 |
| 4 | 2½ | . | ... | Duff. Paving | 35 | 3½ | 2½ | 2½ | 2½ |
| 40 | 18 | . | ... | Do. pref. | 20 | 40 | 35 | 35 | 35 |
| | | | | E | | | | | |
| 3 | 3 | . | ... | East. Koot. Pr. | .... | 3 | .. | .. | .. |
| †97 | 94½ | . | ... | Do. pref. | .... | .. | .. | .. | .. |
| 5 | 3 | . | ... | East. Dairies | 90 | 4 | 4½ | 3½ | 4 |
| 13 | 8½ | . | ... | East. Steel | 35 | 13 | 12½ | 12½ | 12½ |
| 80 | 75 | 7 | 9.3 | Do. pref. | .... | 75 | .. | .. | .. |
| ‡34 | 34 | 2 | ... | East. Theatres | .... | .. | .. | .. | .. |
| §70 | 65 | 7 | ... | Do. pref. | .... | 65 | .. | .. | .. |
| 2½ | 1 | . | ... | Easy Washer | 565 | 1 | 1½ | 1 | 1½ |
| 14 | 10½ | 37½c | .. | Economic Inv. | .... | 12 | .. | .. | .. |
| †15 | 15 | . | ... | Edmonton D'y. | .... | .. | .. | .. | .. |
| †80 | 78½ | 6.50 | ... | Do. pref. | .... | .. | .. | .. | .. |
| 3½ | 2 | . | ... | Enam. & Heat. | .... | 2 | .. | .. | .. |
| 16 | 12 | . | ... | Eng. Electric | 5 | 16 | 14½ | 14½ | 14½ |
| 6 | 4 | . | ... | Do. (B) | 2 | 6 | 5 | 5 | 5 |
| | | | | F | | | | | |
| 12 | 10 | . | ... | Fam. Players | .... | 11 | .. | .. | .. |
| 10 | 10 | . | ... | Do. Vot. Tr. | .... | 10 | .. | .. | .. |
| 20 | 11½ | 1+.25 | ... | Fanny Farmer | .... | 19 | .. | .. | .. |
| 37 | 28 | 2.40 | 6.7 | Do. pref. | 20 | 36 | 36 | 36 | 36 |
| †83½ | 75 | . | ... | Firstbrook Box | .... | .. | .. | .. | .. |
| 25½ | 15 | 1 | 4.4 | Ford Motors A | 7825 | 23½ | 23½ | 21½ | 22 |
| 3½ | 1½ | . | ... | For. Pr. Secs. | 10 | 3 | 2 | 2 | 2 |
| 16½ | 10 | 25c | .. | Foundation Co. | 570 | 16 | 15½ | 13 | 13½ |
| 7½ | 3 | . | ... | Fraser Cos. | 270 | 6½ | 6½ | 6 | 6 |
| 6 | 2½ | . | ... | Do. Vot. Tr. | .... | 6 | .. | .. | .. |
| §90 | 90 | . | ... | Fr & For Inv. p | .... | 90 | .. | .. | .. |
| 3 | 3 | . | ... | Frost Steel | .... | 3 | .. | .. | .. |
| 42 | 30 | . | ... | Do. pref. | .... | 40 | .. | .. | .. |
| | | | | G | | | | | |
| 6 | 3½ | . | ... | Gen. St. Wares | 780 | 5⅛ | 5½ | 5 | 5 |
| 30 | 14½ | . | ... | Do. pref. | 120 | 28 | 29½ | 28 | 28 |
| 136 | 90 | 5 | 4 | Goodyear Tire. | 156 | 126 | 128 | 122 | 122 |
| 111 | 106 | 7 | 6.3 | Do. pref. | 299 | 110½ | 110½ | 108½ | 110½ |
| †93½ | 93½ | . | ... | Gould Pumps, p | .... | .. | .. | .. | .. |
| 3 | 1½ | . | ... | Gt. W Saddlery | 50 | 3 | 2½ | 2½ | 2½ |
| 15 | 11 | . | ... | Do. pref. | 10 | 12 | 15 | 15 | 15 |
| 11½ | 6½ | . | ... | Gurd, Chas. | 369 | 9½ | 9½ | 9 | 9 |
| §100½ | 100 | 7 | ... | Do. pref. | .... | .. | .. | .. | .. |
| 8½ | 4½ | . | ... | Gypsum, Lime. | 1617 | 7 | 7½ | 6½ | 6½ |
| | | | | H | | | | | |
| 9½ | 5½ | . | ... | Ham. Bridge | 300 | 8½ | 8½ | 7 | 7½ |
| 37 | 30 | . | ... | Do. pref. | .... | 37 | .. | .. | .. |
| 20½ | 14 | . | ... | Ham. Cot. pf. | 95 | 20 | 20½ | 20½ | 20½ |
| 2½ | 1½ | . | ... | Ham. U. Theat. | .... | 2½ | .. | .. | .. |
| 46½ | 46 | 7 | 15 | Do. pref. | .... | 46½ | .. | .. | .. |
| ‡50 | 50 | . | ... | Hillcrest Coll. | .... | .. | .. | .. | .. |
| ‡91 | 91 | . | ... | Do. pref. | .... | .. | .. | .. | .. |
| 8½ | 5½ | . | ... | Hinde & Dauch | 100 | 7½ | 7½ | 7½ | 7½ |
| 12 | 12 | . | ... | Holt Renfrew | .... | 12 | .. | .. | .. |
| 35 | 35 | . | ... | Do. pref. | .... | 35 | .. | .. | .. |
| 1.50 | .70 | . | ... | Honey Dew | 435 | 1.50 | 1.00 | 1.00 | 1.00 |
| 11 | 6 | . | ... | Do. pref. | 80 | 7 | 7 | 6 | 7 |
| 10 | 4 | . | ... | H. Smith Pap. | 630 | 9½ | 9½ | 8½ | 8½ |
| 70 | 35 | . | ... | Do. pref. | 5 | 70 | 66 | 66 | 66 |
| 26 | 24 | 2 | 8.3 | Humberstone S | 20 | 24 | 24 | 24 | 24 |
| 13½ | 9 | 50c | 4.3 | Hunt (A) | .... | 11½ | .. | .. | .. |
| 13 | 10 | 50c | 3.8 | Do. (B) | .... | 13 | .. | .. | .. |
| 95 | 70 | 6 | 6.3 | Huron & E. M. | .... | 95 | .. | .. | .. |
| 15 | 14 | . | ... | Do. 20% pd. | 5 | 14 | 15 | 15 | 15 |
| 8 | 5½ | . | ... | Hydro Electric | .... | 7½ | .. | .. | .. |
| | | | | I | | | | | |
| 180 | 141 | 10 | 5.6 | Imperial Bank | 79 | 176 | 180 | 177 | 179 |
| 14½ | 12½ | 50c | 3.6 | Imperial Oil | 14829 | 14 | 14½ | 13½ | 14 |
| 12½ | 10½ | 52½c | 4.4 | Imperial Tob. | 3247 | 12 | 12 | 11½ | 11½ |
| 15 | 15 | . | ... | Inter. City Bak. | .... | 15 | .. | .. | .. |
| §5½ | 5½ | 1 | ... | Inter'e Coal | .... | 5½ | .. | .. | .. |
| 9½ | 4½ | . | ... | Int. Hyd. E. A | 1183 | 7½ | 8½ | 7½ | 7½ |
| 106½ | *99 | 7 | 6.6 | Inter. Mill. pf. | 95 | 105½ | 106½ | 106½ | 106½ |
| 84 | 84 | 6 | 7.2 | Do. Series A | .... | 84 | .. | .. | .. |
| 28.00 | 21.15 | 10c | ... | Inter. Nickel | 43195 | 27.30 | 27.35 | 25.50 | 25.50 |
| 5 | 3 | . | ... | Inter. Paints | 360 | 4½ | 4½ | 4 | 4½ |
| b6 | 4 | . | ... | Int. P & P A | 425 | 4½ | 4½ | 4½ | 4½ |
| b3½ | 1½ | . | ... | Do. (B) | 10 | 2½ | 2½ | 2½ | 2½ |
| b2½ | 1½ | . | ... | Do. (C) | 2305 | 2 | 2 | 1½ | 1½ |
| b18½ | 10½ | . | ... | Do. pref. | 1838 | 14½ | 15½ | 14 | 14½ |
| 23½ | 19½ | 1 | 4.3 | Inter. Pete. | 11275 | 23½ | 23½ | 22½ | 22½ |
| 3 | 2 | . | ... | Inter. Power | 10 | 2½ | 2½ | 2½ | 2½ |
| 19½ | 14 | . | ... | Do. pref. | 70 | 17½ | 18 | 17 | 17½ |
| 6½ | 3 | . | ... | Int. Util. (A) | 60 | 5 | 5½ | 5½ | 5½ |
| 1.50 | .80 | . | ... | Do. (B) | 2520 | 1.15 | 1.15 | 1.00 | 1.10 |
| | | | | J | | | | | |
| †40 | 40 | 1 | ... | Jam. Pub. Ser. | .... | .. | .. | .. | .. |
| 98 | 97 | 7 | 7.2 | Do. pref. | .... | 98 | .. | .. | .. |
| | | | | K | | | | | |
| 5½ | 4½ | . | ... | Kelvinator | 140 | 5½ | 5½ | 5½ | 5½ |
| 82 | 80 | 7 | 8.5 | Do. pref. | .... | 82 | .. | .. | .. |
| | | | | L | | | | | |
| 15 | 12½ | . | ... | Lake of Woods | 245 | 12½ | 12½ | 12½ | 12½ |
| 72 | 56 | . | ... | Do. pref. | .... | 65 | .. | .. | .. |
| 80 | 80 | 6 | 7.5 | Landed Bank | .... | 80 | .. | .. | .. |
| 3½ | 1 | . | ... | Langley's | 50 | 3 | 3½ | 3½ | 3½ |
| 36 | 25 | . | ... | Do. pref. | .... | 36 | .. | .. | .. |
| 55 | 47½ | 3 | 5.7 | Laura Secord | 121 | 53 | 53 | 52 | 53 |
| 3½ | 3 | . | ... | Lindsay, C. W. | 10 | 3½ | 3½ | 3½ | 3½ |
| 36 | 35 | . | ... | Do. pref. | .... | 35 | .. | .. | .. |
| 15½ | 14½ | 80c | 5.4 | Loblaw (A) | 2770 | 15 | 15½ | 14½ | 14½ |
| 15½ | 13½ | 80c | 5.7 | Do. (B) | 1185 | 14½ | 14½ | 14 | 14 |
| | | | | M | | | | | |
| §10 | 2 | . | ... | MacKin. Steel | .... | 10 | .. | .. | .. |
| †95 | 90 | . | ... | Do. pref. | .... | .. | .. | .. | .. |
| §3½ | 3½ | . | ... | Manitoba Pr. | .... | 3½ | .. | .. | .. |
| 5½ | 1½ | . | ... | Maple Leaf | 755 | 2½ | 2½ | 2 | 2½ |
| 10½ | 6½ | . | ... | Do. pref. | 150 | 8 | 8½ | 8½ | 8½ |
| 3 | 2½ | . | ... | Do. B pf. | .... | 3 | .. | .. | .. |
| 12½ | 12½ | . | ... | Marcus Loew's | .... | 12½ | .. | .. | .. |
| 62 | 60 | . | ... | Do. pref. | .... | 61 | .. | .. | .. |
| 8½ | 4½ | . | ... | Massey-Harris | 3810 | 6½ | 7 | 6 | 6½ |
| 12½ | 10 | 60c | 5 | McColl Fron. | 2895 | 11½ | 12 | 11½ | 11½ |
| 85 | 71½ | 6 | 7.2 | Do. pref. | 96 | 83½ | 84½ | 83 | 84½ |
| 15 | 13 | . | ... | Melchers A | 415 | 13½ | 13½ | 13½ | 13½ |
| 11 | 8½ | . | ... | Do. (B) | 130 | 9 | 9 | 8½ | 9 |
| †45 | 35 | . | ... | Mexican L & P | .... | .. | .. | .. | .. |
| †35 | 35 | . | ... | Mercury Mills | .... | .. | .. | .. | .. |
| ‡89 | 58½ | . | ... | Do. pref. | .... | .. | .. | .. | .. |
| †40½ | 40 | . | ... | Mitchell, J. S. | .... | .. | .. | .. | .. |
| 100 | 100 | 7 | 7 | Do. pref. | 5 | 100 | 100 | 100 | 100 |
| 10½ | 5½ | . | ... | Mitchell, Robt. | 497 | 8½ | 8½ | 8 | 8 |
| 7 | 5½ | . | ... | Monarch Knit. | 75 | 7 | 8 | 6½ | 6½ |
| 65½ | 45 | 3+1▲ | ... | Do. pref. | 69 | 64½ | 65½ | 64 | 65½ |
| 45 | 25 | . | ... | Montreal Cot. | .... | 45 | .. | .. | .. |
| 87 | 67 | 7 | 8.3 | Do., pref. | 15 | 82½ | 85 | 84 | 84 |
| ½ | ½ | . | ... | Montreal Exhib | .... | ½ | .. | .. | .. |
| 4 | 3½ | . | ... | Mont. Is. Pr. | 5 | 4 | 4 | 4 | 4 |
| 39½ | 33 | 1.50 | 3.9 | Mont. L. & Pr. | 9863 | 37 | 39 | 36½ | 37½ |
| 47 | 46 | 3+.25 | 7.1 | Montreal Loan | .... | 46 | .. | .. | .. |
| 54 | 50 | 3.20 | 6 | Montreal Tele. | 28 | 51 | 53 | 51 | 51 |
| 125 | 109½ | 9 | 7.8 | Montreal Tram | 15 | 120 | 120 | 115 | 115 |
| 17½ | 11 | . | ... | Moore Corp. | 620 | 17 | 17½ | 17 | 17 |
| 109½ | 96 | 7 | 6.4 | Do. pref. A. | 14 | 108 | 109½ | 106 | 109 |
| 128½ | 109½ | 7 | 5.4 | Do. pref. B. | 5 | 125 | 128½ | 128½ | 128½ |
| 3 | 1½ | . | ... | Muirheads | 210 | 2 | 2½ | 1½ | 1½ |
| 6½ | 6½ | . | ... | Do. pref. | .... | 6½ | .. | .. | .. |
| | | | | N | | | | | |
| 28½ | 23½ | 1.60 | 5.7 | Nat. Breweries | 4299 | 28½ | 28½ | 27½ | 28 |
| 35 | 31 | 1.75 | 5 | Do. pref. | 30 | 35 | 35 | 34½ | 34½ |
| 103 | 90½ | 1.75 | ... | Nat. Groc. pr. | 100 | 102½ | 103 | 102½ | 102½ |
| 20½ | 14½ | . | ... | N. Sew. Pipe A | 180 | 17½ | 19 | 18½ | 18½ |
| 18½ | 12½ | . | ... | Nat. Steel Car. | 710 | 17½ | 17 | 15½ | 16 |
| 180 | 170 | 8 | 4.4 | National Tr. | .... | 180 | .. | .. | .. |
| x10 | 10 | . | ... | Niag. W Weav | .... | .. | .. | .. | .. |
| ‡24 | 16 | 3a | ... | Do. pref. | .... | 24 | .. | .. | .. |
| 1.50 | .75 | . | ... | North Star Oil | 25 | 1.25 | 1.25 | 1.25 | 1.25 |
| 3.00 | 1.40 | . | ... | Do. pref. | 100 | 2.50 | 2.50 | 2.50 | 2.50 |
| | | | | O | | | | | |
| 209 | 190 | 8 | 4 | Ogilvie Flour | 68 | 205 | 203 | 197 | 203 |
| 130 | 125 | 7 | 5.4 | Do. pref. | 29 | 128 | 130 | 130 | 130 |
| 9 | 7½ | . | ... | Ont. Eq. 10% p | 10 | 7½ | 8 | 8 | 8 |
| 102 | 102 | 6 | 5.9 | Ontario Loan | .... | 102 | .. | .. | .. |
| 7 | 5 | . | ... | Ont. Silknit | 50 | 7 | 7 | 7 | 7 |
| 45 | 31 | . | ... | Do. pref. | 20 | 43 | 45 | 43½ | 45 |
| 10 | 10 | . | ... | Ont. Steel | .... | 10 | .. | .. | .. |
| †105 | 105 | . | ... | Do. pref. | .... | .. | .. | .. | .. |
| .90 | .25 | . | ... | Orange Crush | 45 | .60 | .70 | .70 | .70 |
| 8 | 5 | . | ... | Do. (A) | 10 | 6 | 8 | 8 | 8 |
| 1.10 | .30 | . | ... | Do. (B) | 90 | .65 | .75 | .65 | .65 |
| 92 | 79 | 6 | 6.5 | Ott. L. H. & P. | 110 | 90 | 92 | 88 | 88 |
| 102 | 90 | 6.50 | 6.5 | Do. pref. | 10 | 102 | 100½ | 100 | 100 |
| 10 | 5 | 50c | .. | Ott. Traction | .... | 10 | .. | .. | .. |
| | | | | P | | | | | |
| 77 | 55 | 3 | 4 | Page Hersey | 122 | 73 | 75 | 71½ | 73 |
| 30 | 24½ | . | ... | Paton Mfg. | .... | 30 | .. | .. | .. |
| 90 | 90 | 7 | 7.8 | Do. pref. | .... | 90 | .. | .. | .. |
| 62 | 47 | 3 | 5.5 | Penmans | 80 | 60 | 55 | 51 | 55 |
| 91 | 90 | 6 | 6.6 | Do. pref. | .... | 91 | .. | .. | .. |
| 20½ | 14 | . | ... | Photo Eng. | 233 | 20 | 20½ | 20 | 20 |
| 60 | 60 | 7 | 11.7 | Porto Rico P p | .... | 60 | .. | .. | .. |
| 15 | 7½ | . | ... | Power Corp. | 1125 | 14½ | 14½ | 13½ | 13½ |
| 80 | 51 | 6 | 7.5 | Do. pref. | 62 | 75 | 80 | 80 | 80 |
| 2 | 1 | . | ... | Prairie C. Oil | 25 | 2 | 1½ | 1 | 1½ |
| 20 | 17 | . | ... | Pressed Metals | 60 | 19 | 18 | 17 | 17½ |
| 3.00 | .95 | . | ... | Price Bros. | 1745 | 2.50 | 2.50 | 2.00 | 2.00 |
| 25½ | 7 | . | ... | Do. pref. | .... | 20 | .. | .. | .. |
| | | | | Q | | | | | |
| 20 | 15 | 1 | 5.4 | Quebec Power | 585 | 20 | 19½ | 18 | 18½ |
| | | | | R | | | | | |
| §95 | 85 | 5 | ... | Real Estate L'n | .... | 85 | .. | .. | .. |
| 6½ | 2 | . | ... | Regent Knit. | 485 | 4½ | 4½ | 4½ | 4½ |
| 4 | 4 | . | ... | Reliance Grain | .... | 4 | .. | .. | .. |
| 24½ | 19 | 1* | 4.3 | River. S. Mills | 10 | 24½ | 23½ | 23½ | 23½ |
| 7½ | 5½ | . | ... | Rogers Majest. | 475 | 5½ | 6 | 5½ | 6 |
| 168 | 129½ | 8 | 4.8 | Royal Bank | 508 | 165 | 168 | 163 | 163 |
| 17 | 17 | . | ... | Russell Motor | .... | 17 | .. | .. | .. |
| 48 | 45 | 4 | 8.3 | Do. pref. | .... | 45 | .. | .. | .. |
| | | | | S | | | | | |
| 3 | 2½ | . | ... | Sarnia Br. A | .... | 3 | .. | .. | .. |
| 1½ | 1½ | . | ... | Do. (B) | .... | 1½ | .. | .. | .. |
| 10½ | 6 | . | ... | Serv. Station | 258 | 9½ | 9½ | 8½ | 8½ |
| 60½ | 32½ | . | ... | Do. pref. | 85 | 60 | 60½ | 59 | 59 |
| 24½ | 17½ | 50c | 2.2 | Shawinigan | 8302 | 22½ | 22½ | 22 | 22 |
| 21 | 12½ | . | ... | Sher. Wms. | 490 | 20½ | 20½ | 20 | 20 |
| 87½ | 56 | . | ... | Do. pref. | 15 | 85 | 87½ | 87 | 87 |
| 9½ | 6½ | . | ... | Simon & Son | 105 | 9½ | 9½ | 9½ | 9½ |
| 65 | 65 | ●5½ | ... | Do. pref. | .... | 65 | .. | .. | .. |
| 73½ | 43 | . | ... | Simpson, Ltd. | 468 | 67 | 73½ | 66½ | 72 |
| 11 | 10 | . | ... | Do. (A) | .... | 11 | .. | .. | .. |
| 8 | 4 | . | ... | Do. (B) | 45 | 7 | 8 | 7 | 7 |
| 98 | 80 | 6 | 6.6 | Simpson, R., p. | 45 | 90 | 93 | 90½ | 93 |
| 16 | 11 | 1 | 6.4 | So. Can. Pr. | 1158 | 15 | 16 | 15 | 15½ |
| 90½ | 72 | 6 | 6.7 | Do. pref. | 175 | 86 | 90½ | 90 | 90 |
| 3½ | 1½ | . | ... | St. Law. Corp. | 3200 | 2½ | 2½ | 2½ | 2½ |
| 9½ | 5½ | . | ... | Do. (A) | 220 | 8 | 8 | 7½ | 7½ |
| 39 | 34 | 1.50 | 3.9 | St. Law. Flour | 50 | 38 | 38 | 35 | 35 |
| 101 | 96 | 7 | 7.3 | Do. pref. | 30 | 101 | 96 | 96 | 96 |
| 23 | 12 | . | ... | St. Law. Pa. p | 1600 | 20 | 22 | 19½ | 19½ |
| 9 | 6½ | . | ... | Stand. Chem. | .... | 8 | .. | .. | .. |
| 4½ | 1½ | . | ... | St. Pav. & Mat. | 955 | 3½ | 3½ | 3½ | 3½ |
| 25 | 17½ | . | ... | Do. pref. | 20 | 23 | 23 | 22 | 22 |
| 11½ | 9 | . | ... | Stand. Steel | 999 | 9½ | 9½ | 9 | 9½ |
| §30 | 30 | . | ... | Do. pref. | .... | 30 | .. | .. | .. |
| 38 | 28 | 1.20 | 3.3 | Steel of Can. | 745 | 37½ | 37½ | 36 | 36 |
| 38½ | 31 | 1.75 | 4.5 | Do. pref. | 275 | 38 | 38½ | 38 | 38 |
| 3 | 2 | . | ... | Sterling Coal | .... | 2 | .. | .. | .. |
| 8 | 4½ | ! | ... | Stop & Shop | 190 | 7 | 8 | 7 | 8 |
| 483 | 483 | . | ... | Sun Life Ass. | 3 | .. | 483 | 483 | 483 |
| 27 | 16 | 1 | 4 | Sup. Pete. ord. | 5141 | 20 | 27 | 20½ | 26½ |
| 21 | 16½ | 1 | 4.8 | Do. com. | 76 | 17½ | 21 | 21 | 21 |
| 100 | 99 | 7 | 7 | Do. pref. | .... | 100 | .. | .. | .. |
| | | | | T | | | | | |
| 20 | 20 | . | ... | Tamblyn | .... | 20 | .. | .. | .. |
| 100 | 98 | 7 | 7 | Do. pref. | 20 | 100 | 100 | 99 | 100 |
| 27½ | 18 | 3.50 | ... | Thayers, pfd. | 30 | 24 | 27½ | 25 | 25 |
| 11½ | 10 | 40c | 4 | Thrift Stores | 270 | 10½ | 10½ | 10½ | 10½ |
| 25 | 23 | 1.62½ | 7 | Do. pref. | 10 | 23½ | 23½ | 23½ | 23½ |
| 13½ | 7 | . | ... | Tip Top Tailors | 9 | 12 | 10 | 10 | 10 |
| 80½ | 63½ | 7 | 8.7 | Do. pref. | .... | 80½ | .. | .. | .. |
| †22 | 10 | . | ... | Tooke Bros. | .... | .. | .. | .. | .. |
| 15 | 15 | . | ... | Do. pref. | 25 | 15 | 15 | 15 | 15 |
| 28 | 17 | 1 | 3.6 | Tor. Elevators | 110 | 27½ | 28 | 27½ | 28 |
| 100 | 89½ | 7 | 7 | Do. pref. | 45 | 95 | 100 | 97 | 99½ |
| 119 | 105 | 6 | 5 | Tor. Gen. Tr. | 1 | 117 | 119 | 119 | 119 |
| 100 | 100 | 6 | 6 | Toronto Mtge. | .... | 100 | .. | .. | .. |
| 1.00 | .50 | . | ... | Traymore | 500 | .95 | .95 | .80 | .80 |
| 2½ | 2 | . | ... | Do. pref. | 80 | 2 | 2 | 2 | 2 |
| 125 | 116 | 7 | 5.7 | Tuckett Tob. p. | 10 | 120 | 125 | 123 | 125 |
| 4½ | 1½ | . | ... | Twin City | 90 | 3½ | 4½ | 3½ | 4½ |
| b19 | 6 | . | ... | Do. pref. | .... | .. | .. | .. | .. |
| | | | | U | | | | | |
| 6½ | 3½ | . | ... | Union Gas | 11005 | 4½ | 6½ | 4½ | 5½ |
| †8 | 3 | . | ... | United Fuel | .... | .. | .. | .. | .. |
| 19½ | 9½ | . | ... | Do. pref. | 373 | 19 | 19½ | 18½ | 19 |
| 12½ | 12½ | . | ... | Un. Amuse. A. | .... | 12½ | .. | .. | .. |
| ‡7½ | 7½ | . | ... | Do. (B) | .... | 7½ | .. | .. | .. |
| 32 | 17 | 2 | 6.4 | United Secs. | .... | 31 | .. | .. | .. |
| | | | | V | | | | | |
| 5 | 2½ | . | ... | Viau Biscuit | 385 | 3 | 3 | 2½ | 3 |
| 23 | 18 | . | ... | Do. pref. | 10 | 20 | 18 | 18 | 18 |
| | | | | W | | | | | |
| 36 | 20 | . | ... | Wabasso Cot. | 43 | 33 | 33½ | 30½ | 30½ |
| 57½ | 43 | . | ... | Walker-Good. | 7454 | 47½ | 48½ | 46 | 46 |
| 17½ | 16½ | 1 | 6 | Do. pref. | 3102 | 16½ | 16½ | 16½ | 16½ |
| 7.90 | 3.90 | . | ... | Walkerville Br. | 13600 | 7.75 | 7.90 | 7.65 | 7.75 |
| 4 | 2 | . | ... | Waterloo Mfg. | 185 | 3½ | 3 | 3 | 3 |
| x80 | 75 | 7 | ... | W. Koot. Pr. p | .... | .. | .. | .. | .. |
| 8½ | 6½ | . | ... | West. C. Flour | 95 | 7 | 7 | 7 | 7 |
| 60 | 48 | 3 | 5.4 | Do. pref. | 10 | 60 | 55 | 55 | 55 |
| 32 | 30 | . | ... | West. Grocers | .... | 30 | .. | .. | .. |
| 87 | 85 | 7 | 8 | Do. pref. | .... | 87 | .. | .. | .. |
| 30 | 28 | 1 | ... | Weston Bisc, n | 2147 | 29½ | 30 | 29 | 29½ |
| 100 | 88½ | 7 | 7 | Do. pref. | 336 | 98 | 100 | 98 | 100 |
| 5 | 3½ | . | ... | Whittall Can | .... | 4½ | .. | .. | .. |
| 59½ | 35 | 6.50 | ... | Do. pref. | 25 | 54½ | 55 | 55 | 55 |
| 2 | 2 | . | ... | Windsor Hotel | 15 | 2 | 2 | 2 | 2 |
| 18 | 5½ | . | ... | Do. pref. | 10 | 18 | 12 | 12 | 12 |
| 4 | 1½ | . | ... | Winnipeg Elec. | 469 | 3 | 3 | 2½ | 2½ |
| 12 | 4 | . | ... | Do. pref. | 20 | 11 | 8½ | 8½ | 8½ |
| 40 | 20 | . | ... | Woods Mfg. p. | .... | 35 | .. | .. | .. |
| | | | | Z | | | | | |
| 5½ | 4 | . | ... | Zimmerknit, c. | 65 | 5½ | 5½ | 5½ | 5½ |

§ Quotations for 1933. No sales recorded in 1934 to date.
x Quotations for 1932.
† Quotations for 1931.
‡ Quotations for 1930.
b New York Quotations.
* See "Unlisted Stocks" also.
▲ On account of arrears.
● Plus extra of 87½c. paid Jan. 31.
■ Plus $3.50 on arrears paid Feb. 15.
* Plus 25c. on arrears payable April 2.
■ Plus 75c. on arrears payable Apr. 2.

## Dividends Declared

| | Present Annual rate | Amt. this payment | Date payable | Date of record |
|---|---|---|---|---|
| Agnew Surpass, pref. | 7% | 1¾% | Apr. 2 | Mar. 15 |
| Ajax Oil | 8% | 2% | Apr. 16 | Mar. 31 |
| Assoc. Breweries, pfd. | $7 | $1.75 | Apr. 1 | Mar. 15 |
| B. C. Telephone, 1st pfd. | $6 | $1.50 | Apr. 1 | Mar. 15 |
| Do., 2nd pref. | $6 | $1.50 | May 1 | Apr. 15 |
| Brantford Cordage, 1st pfd. | $2 | 50c | Apr. 15 | Mar. 20 |
| Bell Telephone | 6% | 1½% | Apr. 16 | Mar. 23 |
| Brit. Amer. Assurance, c. | $1.50 | 75c | Apr. 16 | Mar. 24 |
| Bruck Silk Mills | $1 | 25c | Apr. 16 | Mar. 15 |
| Building Products A & B | $1 | 25c | Apr. 2 | Mar. 15 |
| Brazilian Tr., pref. | 6% | 1½% | Apr. 3 | Mar. 15 |
| Bralorne Mines | ... | †12½c | Apr. 16 | Mar. 31 |
| Brit. Amer. Oil | 80c | 20c | Apr. 2 | Mar. 15 |
| B. C. Power A | $1.50 | 38c | Apr. 16 | Mar. 31 |
| Burt, F. N. | $2 | 50c | Apr. 2 | Mar. 15 |
| Do., pref. | $7 | $1.75 | Apr. 2 | Mar. 15 |
| Bk. of Nova Scotia | $12 | $3 | Apr. 3 | Mar. 16 |
| Can. Celanese, pref. | $7 | $1.75 | Mar. 31 | Mar. 16 |
| Do., on arrears | ... | 75c | Mar. 31 | Mar. 16 |
| Central Can. Loan | 8% | 2% | Apr. 2 | Mar. 15 |
| Consumers' Gas | 10% | 2½% | Apr. 2 | Mar. 15 |
| Canada Northern Power, c. | $1 | 25c | Apr. 25 | Mar. 31 |
| Do., pref. | 7% | 1¾% | Apr. 16 | Mar. 31 |
| Canadian Oil, pfd. | $8 | $2 | Apr. 1 | Mar. 20 |
| Can. Cottons, com. | $4 | $1 | Apr. 4 | Mar. 16 |
| Do., pref. | 6% | 1½% | Apr. 4 | Mar. 16 |
| Can. Permanent Mortgage | $8 | $2 | Apr. 3 | Mar. 15 |
| Can. Gen. Electric (No. 117) | $3 | 75c | Apr. 2 | Mar. 15 |
| Do., pref. | 7% | 1¾% | Apr. 2 | Mar. 15 |
| Can. Iron Foundries, pfd. | $3 | $1.50 | Apr. 30 | Apr. 15 |
| Can. For. Invest., pfd. | $8 | $2 | Apr. 1 | Mar. 15 |
| Do., com. | | 25c | Apr. 1 | Mar. 15 |
| Can. Wire Box, A | $1.50 | 37½c | Apr. 1 | Mar. 15 |
| Calgary Power, c. | $6 | $1.50 | Apr. 2 | Mar. 15 |
| Cons. Bakeries, c. | ... | 25c. | Apr. 3 | Mar. 15 |
| Canadian Canners, 1st pfd. | $6 | $1.50 | Apr. 2 | Mar. 15 |
| Do., 2nd pref. | 30c | 7½c | Apr. 2 | Mar. 15 |
| Crown Trust | $7 | $1.75 | Apr. 3 | Mar. 31 |
| Canada Life | $20 | $5.00 | Apr. 2 | Mar. 31 |
| Canada Packers, pref. | $7 | $1.75 | Apr. 2 | Mar. 16 |
| Do., no arrears | — | $3.50 | Apr. 2 | Mar. 16 |
| Dominion Glass | $5 | $1.25 | Apr. 3 | Mar. 15 |
| Do., pref. | 7% | 1¾% | Apr. 3 | Mar. 15 |
| Dom. Textile | $4 | $1 | Apr. 2 | Mar. 15 |
| Do., pref. | $7 | $1.75 | Apr. 16 | Mar. 31 |
| Dominion Bank | $10 | $2.50 | Apr. 3 | Mar. 20 |
| Dominion Bridge | $2 | 50c | May 15 | Apr. 20 |
| Dominion Stores | $1.20 | 30c | Apr. 2 | Mar. 15 |
| Dome Mines | $1 | 25c | Apr. 20 | Mar. 31 |
| Do., extra | | 25c | Apr. 20 | Mar. 31 |
| Dominion Rubber, pref. | $7 | $1.75 | Mar. 31 | Mar. 22 |
| Eastern Steel, pref. | $7 | $1.75 | Apr. 3 | Mar. 15 |
| Edmonton C. Dairy, pref. | $6.50 | $1.62½ | Apr. 2 | Mar. 15 |
| Economic Inv. Trust | | 31¼c | Apr. 2 | Mar. 20 |
| Freeman, A. J., pref. | $6 | $1.50 | Apr. 2 | Mar. 15 |
| Fanny Farmer, c. | $1 | 25c | Apr. 2 | Mar. 15 |
| Do., extra | | 25c | Apr. 2 | Mar. 15 |
| Do., pref | $2.40 | 60c | Apr. 2 | Mar. 15 |
| Falconbridge Nickel | ... | 5c | Mar. 30 | Mar. 15 |
| Gachin Gold Synd. units | 60c | 15c | Mar. 31 | Feb. 28 |
| Do., extra | | 10c | Mar. 31 | Feb. 28 |
| Goodyear Tire | $5 | $1.25 | Apr. 2 | Mar. 15 |
| Do., pref. | $7 | $1.75 | Apr. 2 | Mar. 15 |
| Gurd, Chas., pref. | $7 | $1.75 | Apr. 1 | Mar. 16 |
| Great West Life | 20% | 50% | Apr. 3 | Mar. 20 |
| General Trust, pref. | $6 | $1.50 | Apr. 3 | Mar. 26 |
| Highland Dairy, pref. | $7 | $1.75 | Apr. 2 | Mar. 23 |
| Hunts, A & B | 50c | 12½c | Apr. 3 | Mar. 17 |
| Huron & Erie Mtge. | $6 | $1.50 | Apr. 3 | Mar. 15 |
| Hamilton United Theat. pfd. | $7 | $1.75 | Mar. 31 | Feb. 28 |
| Hollinger Gold | 65c | 5c | Mar. 26 | Mar. 9 |
| Do., extra | | 15c | Mar. 26 | Mar. 9 |
| Inter. Hydro-Elec. pref. | $3.50 | 87½c | Apr. 16 | Mar. 26 |
| Inter. Nickel, pref. | 7% | 1¾% | May 1 | Apr. 3 |
| International Nickel, c. | ... | 10c | Mar. 31 | Mar. 1 |
| Imperial Tobacco | 35c | 8¾c | Mar. 31 | Mar. 7 |
| Do., final | | 17½c | Mar. 31 | Mar. 7 |
| Do., pref. | 6% | 3% | Mar. 31 | Mar. 7 |
| Invest Foundation, pfd. | $1.50 | 37c | Apr. 16 | Mar. 31 |
| Do., on arrears | — | 13c | Apr. 16 | Mar. 31 |
| Jamaica Pub. Service | $1 | 25c | Apr. 3 | Mar. 21 |
| Do., pref. | $7 | $1.75 | Apr. 3 | Mar. 21 |
| Landed Banking & Loan | 6% | 1½% | Apr. 3 | Mar. 15 |
| McColl-Frontenac, pfd. | $6 | $1.50 | Apr. 14 | Mar. 31 |
| Mitchell, J. S., pref. | $7 | $1.75 | Apr. 3 | Mar. 16 |
| Monarch Knitting, pref. | .. | ‡$1 | Apr. 2 | Mar. 15 |
| Montreal C. & D. Bk. | $12 | $3 | Apr. 3 | Mar. 15 |
| Montreal L. H. & Pr. | $1.50 | 37c | Apr. 30 | Mar. 31 |
| Moore Corp. "A" pfd. | 7% | 1¾% | Apr. 2 | Mar. 15 |
| Do., "B" pfd. | 7% | 1¾% | Apr. 2 | Mar. 15 |
| New England Pr., pref. | $6 | $1.50 | Apr. 2 | Mar. 10 |
| Do., pref. | $2 | 50c | Apr. 2 | Mar. 10 |
| Northern Ontario Power | $2 | 50c | Apr. 25 | Mar. 31 |
| Do., pref. | 6% | 1½% | Apr. 25 | Mar. 31 |
| National Breweries | $1.60 | 40c | Apr. 2 | Mar. 15 |
| Do., pref. | $1.75 | 44c | Apr. 2 | Mar. 15 |
| Niag. Wire Weav., pref. | $3 | 75c | Apr. 2 | Mar. 19 |
| Do., on arrears | — | 75c | Apr. 2 | Mar. 19 |
| National Grocers, pref. | ‡ | $1.75 | Apr. 1 | Mar. 20 |
| Ogilvie Flour, c. | $8 | $2 | Apr. 3 | Mar. 23 |
| Ottawa L. H. & Pr. | $6 | $1.50 | Apr. 2 | Mar. 15 |
| Do., pref. | $6.50 | $1.62½ | Apr. 2 | Mar. 15 |
| Ottawa Traction | .. | 50c | Apr. 2 | Mar. 15 |
| Ontario Loan & Deb. | $6 | $1.50 | Apr. 3 | Mar. 15 |
| Page Hersey Tubes, pref. | $7 | $1.75 | Apr. 2 | Mar. 20 |
| Do., com. | $3 | 75c | Apr. 2 | Mar. 20 |
| Penmans | $3 | 75c | May 15 | May 5 |
| Do., pref. | $6 | $1.50 | May 1 | Apr. 21 |
| Premier Gold | 12c | 3c. | Apr. 16 | Mar. 16 |
| Perfect Circle | .. | 50c | Apr. 1 | Mar. 20 |
| Pioneer Gold Mines, B.C. | 60c | 15c | Apr. 2 | Mar. 3 |
| Porto Rico Power, pfd. | 7% | 1¾% | Apr. 2 | Mar. 15 |
| Provincial Paper, pref. | $7 | $1.75 | Apr. 3 | Mar. 15 |
| Robinson Cons. Cone | $1 | 25c | Apr. 2 | Mar. 16 |
| Riverside Silk "A" | $1 | 25c | Apr. 2 | Mar. 15 |
| Do., on arrears | ... | 25c | Apr. 2 | Mar. 15 |
| Standard Fuel pfd. | 6½% | 1⅝% | Apr. 1 | Mar. 15 |
| Southern Can. Power, pfd. | 6% | 1½% | Apr. 16 | Mar. 29 |
| Sylvanite Gold, c. | 10c | 2½c | Mar. 31 | Mar. 1 |
| Do., bonus | ... | 2½c | Mar. 31 | Mar. 1 |
| Siscoe Gold Mines | 12c | 3c | Mar. 31 | Mar. 8 |
| Do., bonus | | 2c | Mar. 31 | Mar. 8 |
| Supertest Pete, A pfd. | $7 | $1.75 | Apr. 2 | Mar. 15 |
| Do., B pfd. | $1.50 | 37½c | Apr. 2 | Mar. 15 |
| Do., ord. and com. | $1 | 25c | Apr. 2 | Mar. 15 |
| Silverwoods, pref. | 4% | 1% | Apr. 2 | Mar. 20 |
| Tamblyn, pref. | 7% | 1¾% | Apr. 2 | Mar. 24 |
| United Securities | $2 | 50c | Apr. 16 | Mar. 27 |
| Toronto Mortgage | $6 | $1.50 | Apr. 2 | Mar. 15 |
| Western Grocers, pref. | $7 | $1.75 | Apr. 15 | Mar. 20 |
| Whittall Can, pref. | $6.50 | $1.62½ | Apr. 2 | Mar. 15 |
| Western Assurance, c. | $1.20 | 60c. | Apr. 3 | Mar. 24 |
| Weston, Geo., c. (new) | $1 | 25c | Apr. 2 | Mar. 20 |
| West Kootenay Power, pfd. | $7 | $1.75 | Apr. 2 | Mar. 22 |
| Wright Hargreaves | 40c | 10c | Apr. 2 | Mar. 14 |

†Initial. ‡On arrears.

**Dividends Resumed—**
Consolidated Bakeries, c. 25c. Apr. 3. Last payment 12½c. July 2, 1932.
Ottawa Traction, 50c. Apr. 2. Last payment $1 Jan. 1, 1928.

**Dividend Rate Increased—**
Canadian Canners, 2nd pref. Apr. 2. 20c. to 30c. per annum.
Goodyear Tire, c. Apr. 2. $4 to $5 per annum.

## Active Provincial and Municipal Bonds

Quotations furnished by A. E. Ames & Co., Canada Permanent Building, Toronto, Ont.
March 20, 1934

| | Rate | Actual Maturity | Next Int. Date | Price | Yield |
|---|---|---|---|---|---|
| *Alberta | 4½ | 1 Oct., 1958 | 1 Apr. | 91.50 | 5.11 |
| Alberta | 5 | 1 July, 1943 | 1 July | 96.50 | 5.47 |
| Alberta | 6 | 1 Mar., 1947 | 1 Sept. | 102.50 | 5.72 |
| *British Columbia | 4½ | 1 Oct., 1953 | 1 Apr. | 89.00 | 5.42 |
| *British Columbia | 5 | 15 Jan., 1948 | 15 July | 94.00 | 5.62 |
| British Columbia | 6 | 15 Feb., 1947 | 15 Aug. | 100.50 | 5.94 |
| Manitoba | 4 | 1 July, 1947 | 1 July | 85.00 | 5.60 |
| *Manitoba | 5 | 2 Dec., 1959 | 2 June | 95.50 | 5.32 |
| Manitoba | 6 | 1 Apr., 1947 | 1 Apr. | 102.00 | 5.78 |
| *New Brunswick | 4 | 1 June, 1948 | 1 June | 94.00 | 4.57 |
| *New Brunswick | 4¾ | 15 June, 1936 | 15 June | 101.50 | 4.04 |
| New Brunswick | 5½ | 15 May, 1950 | 15 May | 107.50 | 4.84 |
| *Nova Scotia | 4½ | 15 Nov., 1948 | 15 May | 101.50 | 4.36 |
| Nova Scotia | 5 | 1 May, 1943 | 1 May | 104.50 | 4.42 |
| *Ontario | 4½ | 1 Sept., 1944 | 1 Sept. | 105.25 | 3.88 |
| Ontario | 5 | 15 Oct., 1948 | 15 Apr. | 107.50 | 4.32 |
| Ontario | 5½ | 1 Feb., 1947 | 1 Aug. | 110.75 | 4.40 |
| P. E. I. | 4 | 1 Apr., 1939 | 1 Apr. | 99.00 | 4.22 |
| P. E. I. | 6 | 1 May, 1947 | 1 May | 112.50 | 4.73 |
| *Quebec | 4¼ | 1 May, 1961 | 1 May | 102.50 | 4.10 |
| *Saskatchewan | 4½ | 1 Sept., 1955 | 1 Sept. | 87.00 | 5.54 |
| *Saskatchewan | 5 | 1 Nov., 1959 | 1 May | 92.00 | 5.58 |
| Saskatchewan | 6 | 15 Mar., 1952 | 15 Sept. | 101.50 | 5.86 |
| **Cities** | | | | | |
| *Montreal | 5 | 1 Sept., 1963 | 1 Sept. | 101.50 | 4.90 |
| *Toronto | 4½ | 1 Jan., 1955 | 1 July | 102.50 | 4.32 |
| *Vancouver | 5 | 15 Jan., 1970 | 15 July | 92.50 | 5.48 |
| Winnipeg | 5 | 1 Mar., 1944 | 1 Sept. | 96.19 | 5.50 |
| *Edmonton | 5½ | 1 Apr., 1947 | 1 Apr. | 93.39 | 6.25 |
| Calgary | 5 | 1 Jan., 1943 | 1 July | 92.00 | 6.17 |
| Halifax | 6 | 1 July, 1951 | 1 July | 114.00 | 4.80 |
| Saint John | 5 | 15 Dec., 1950 | 15 June | 103.00 | 4.74 |
| Regina | 4½ | 1 July, 1950 | 1 July | 82.00 | 6.27 |
| Victoria | 5 | 21 July, 1945 | 21 July | 96.00 | 5.47 |
| Quebec | 5 | 1 June, 1948 | 1 June | 103.50 | 4.67 |

*Payable in New York.

## Winnipeg Stock Exchange

(Transactions for week to March 17)

| Div. Rate in $ | Yield in % | | Sales | High for week | Low for week | Close Mar. 17 |
|---|---|---|---|---|---|---|
| .. | .. | Beaver Lumber, c. | 130 | 3¾ | 3¾ | 3¾ |
| .. | .. | Can. Invest. Fund | 50 | 3.55 | 3.55 | 3.55 |
| .. | .. | El. Bonanza | 1,000 | .26 | .26 | .26 |
| .. | .. | Forty-Four | 400 | 4.00 | 3.75 | 4.00 |
| .. | .. | Gabrielle | 10,300 | .49½ | .38 | .49 |
| .. | .. | Gunnar Gold | 1,500 | 1.05 | .95 | 1.05 |
| .. | .. | Island Lake | 7,600 | .11 | .06 | .07 |
| .. | .. | McLeod Cockshutt | 3,350 | .43½ | .38¾ | .43½ |
| .. | .. | Manitoba & Eastern | 6,800 | .24 | .21½ | .22½ |
| .. | .. | Pickle Crow | 1,400 | .85 | .77 | .85 |
| .. | .. | Ore Grand Unit | 1 | 9,500 | 9,500 | 9,500 |
| .. | .. | Smelter Gold | 500 | .26 | .26 | .26 |
| .. | .. | Toburn | 1,050 | 1.60 | 1.55 | 1.60 |
| .. | .. | West. Breweries | 10 | 1.00 | 1.00 | 1.00 |
| 1 | 9.5 | United Grain Gr. | 4 | 10½ | 10½ | 10½ |
| .. | .. | Wingold | 100 | .24 | .24 | .24 |

Stocks Not Traded in During Week*

| | Bid | Ask | | Bid | Ask |
|---|---|---|---|---|---|
| Beaver Fire | .. | 100 | Pelissiers, com. | .40 | .50 |
| Beaver Lumber, pref. | .. | 63 | Traders Bldg. Assn. | 65 | .. |
| Do., pref. | .. | 63 | Sovereign Life | 15½ | .. |
| Can. Fire Insur. | 55 | .. | Can. Amer. Tr. shs. | 2½ | 3½ |
| Gt.-West Life | 315 | .. | Fundamental Ser. A | .. | 4½ |
| Home Investment | 20 | .. | Fundamental Ser. B | .. | 4 |
| Monarch Life | 17 | .. | Grouped Inc. Shs. | .. | 4.60 |
| Northern Trust | 10 | .. | | | |

*Stocks more active on other exchanges not included.

## Listed Bond Quotations

Week Ending March 19, 1934

| Montreal | Int. Rate | Due | Yield | Latest Bid | High | Low | Range, 1934 High | Low |
|---|---|---|---|---|---|---|---|---|
| Mtl. L.H.&Pr. debs. | 3 | 1939 | 3.98 | 46½ | 46½ | 46½ | 46½ | 42½ |
| Mont. Tr. 1st mtg.§ | 5 | 1941 | 4.83 | 100 | 101 | 100 | 101 | 97½ |
| Cons. Paper | 5½ | 1961 | ... | ... | 23 | 21 | 23 | 13½ |

§Payable in Canada and New York. *Asked.

## Active Unlisted Bonds

(Furnished by A. J. Pattison, Jr. & Co., Limited) Investment Bankers, Toronto.
March 20, 1934

| | March 20 Bid | Asked | March 13 Bid |
|---|---|---|---|
| **Industrial Bonds—** | | | |
| Abitibi P. & P. 5% 1953 F | 40.00 | 42.00 | 43.00 |
| Abitibi P. & P. C.O.D. F | 37.00 | 39.00 | 40.00 |
| Acadia Sugar 6% 1946 | 98.00 | .... | 98.75 |
| Alta. Pacific Grain 6% 1946 | 78.00 | 81.00 | 79.00 |
| American Sales Book 6% 1939 | 100.00 | .... | 100.00 |
| Asbestos Corp. 6% 1941 F | 73.00 | 78.50 | 76.00 |
| B. A. Oil 5% 1945 | 100.75 | 102.50 | 101.00 |
| B. C. Pulp 6% 1950 F | 67.00 | 70.00 | 64.00 |
| B. C. Pulp 7% 1950 F | 24.50 | .... | 24.00 |
| Burns 5½% 1948 F | 38.50 | 40.00 | 39.50 |
| Can. Biscuit 6½% 1946 F | 27.50 | 29.50 | 25.25 |
| Can. Bread 6% 1941 | 82.00 | 87.00 | 85.00 |
| Can. Cement 5½% 1947 | 86.50 | 88.50 | 90.00 |
| Can. Steamship 6% 1941 F | 27.00 | 30.00 | 29.50 |
| Can. Canners 6% 1950 | 99.50 | .... | 98.75 |
| Can. Copper Refin. 6% 1945 | 106.50 | 109.00 | 106.00 |
| Can. Cottons 5% 1940 | 97.25 | .... | 97.25 |
| Can. Goodrich Income 7/43 F | 36.25 | .... | 35.25 |
| Can. Rail & Harbor 6½/51 F | 28.50 | 30.00 | 27.50 |
| Can. Vickers 6% 1947 | 61.00 | 63.00 | 59.25 |
| Colonial Steamship 6% 1934 F | 44.00 | .... | 44.25 |
| Cons. Invest. 4½% 1959 F | 70.00 | 75.00 | 66.50 |
| Davies, Wm. 6% 1942 | 99.25 | 101.00 | 99.00 |
| Debenture & Sec. 4% 1936 | 73.00 | .... | 70.25 |
| Dom. Tar & Chemical 6% 1949 | 86.50 | 89.00 | 87.00 |
| Dom. Telegraph 5½% 1978 A | 92.50 | 96.00 | 93.00 |
| Dom. Textile 6% 1949 | 106.25 | 109.00 | 106.00 |
| Dom. Woollens 6% 1948 F | 35.00 | 38.00 | 36.00 |
| Donnacona Paper 5½% 1948 F | 45.00 | 47.50 | 42.00 |
| Eastern Dairies 6% 1949 | 63.00 | 66.00 | 62.50 |
| Famous Players 6% 1948 | 91.25 | 93.75 | 90.00 |
| Federal Grain 6% 1949 | 77.00 | 80.00 | 78.00 |
| Firestone Tire 7% 1937 | 99.25 | 102.00 | 96.25 |
| Fraser Co. 6% 1950 F | 42.50 | 45.00 | 41.00 |
| Galt Brass 7½% 1941 F | 25.00 | .... | 25.00 |
| Gen. Steel Wares 6% 1952 | 78.00 | 81.00 | 77.00 |
| Goodyear Cotton 6% 1949 | 103.00 | 104.25 | 103.25 |
| Great Lakes 6% 1950 F | 39.00 | 42.00 | 42.00 |
| Gypsum, Lime & Alab. 5½% 1948 | 78.00 | 81.00 | 76.50 |
| Hamilton By-Prod. 7% 1943 | 99.00 | 101.50 | 99.25 |
| Harris Abattoir 6% 1947 | 103.00 | 104.00 | 102.00 |
| Howard Smith 5½% 1953 | 91.00 | 92.50 | 90.00 |
| Lake St. John 6½% 1947 F | 52.75 | 55.75 | 53.00 |
| Lake St. John 6½% 1942 F | 22.00 | 24.00 | 20.50 |
| Loew's Toronto 6% Serial | 98.50 | 100.00 | 98.25 |
| Maple Leaf Milling 5½% 1949 | 37.00 | 38.50 | 35.00 |
| Massey-Harris 5% 1947 | 73.00 | 75.50 | 73.25 |
| McColl-Frontenac 6% 1949 | 99.25 | 101.00 | 100.00 |
| McKinnon Industries 6½% 1945 | 98.00 | .... | 97.50 |
| Mercury Mills 5½% 1953 | 63.00 | .... | 59.00 |
| Minn. & Ont. 6% Serial F | 20.50 | 23.00 | 18.00 |
| Price Bros. 6% 1943 F | 93.00 | 95.50 | 92.50 |
| Provincial Paper 5½% 1947 | 98.00 | 100.00 | 94.00 |
| Restigouche 6% 1948 F | 68.50 | 70.00 | 66.00 |
| Simpsons Ltd. 6% 1949 | 96.00 | 99.00 | 93.50 |
| Steel of Canada 6% 1940 | 106.00 | 109.00 | 105.00 |
| Stop & Shop 6% 1947 | 78.00 | 82.00 | 78.00 |
| Toronto Carpet 6% 1944 | 95.00 | .... | 90.00 |
| United Corpns. 5% 1953 F | 75.00 | 78.00 | 76.00 |
| United Gas & Fuel 5½% 1948 | 83.00 | .... | 75.00 |
| United Grain Growers 5% 1948 | 73.00 | 76.00 | 74.00 |
| United Grain Growers 5½% 1949 | 80.00 | .... | 80.50 |
| Wabasso Cotton 7% 1942 | 86.00 | .... | 86.00 |
| **Public Utility Bonds—** | | | |
| Beauharnois Pwr. 5% 1973 F | 51.00 | 53.50 | 53.00 |
| Beauharnois Pwr. 5½% 1973 | 95.00 | 97.00 | 95.50 |
| Bell Telephone 5% 1955 | 106.00 | 107.50 | 106.00 |
| B. C. Power 5½% 1960 | 101.00 | 103.00 | 101.00 |
| B. C. Telephone 5% 1960 | 99.00 | 101.00 | 100.00 |
| Calgary Power 5% 1960 | 93.50 | 96.50 | 94.00 |
| Can. Northern Pwr. 5% 1953 | 93.25 | 96.25 | 93.00 |
| Dom. Gas & Elect. 6½% 1945 | 59.00 | 61.00 | 57.00 |
| Duke-Price Pwr. 6% 1966 | 93.00 | 94.50 | 96.00 |
| French Natl. Mail SS 6/52 | 140.00 | .... | 130.00 |
| Gatineau Pwr. 6% 1941 A | 87.50 | 90.50 | 88.50 |
| Ganiteau Pwr. 5% 1956 | 90.00 | 92.25 | 92.50 |
| Maclaren Quebec 5½% 1961 | 94.50 | 97.00 | 96.50 |
| Manitoba Power 5½% 1951 | 47.00 | 50.00 | 50.00 |
| Montreal LH&P 5% 1951 | 107.00 | 109.00 | 107.50 |
| Montreal Tram. 5% 1941 July | 99.00 | 102.00 | 100.00 |
| Northwest. Utilities 7/38 | 97.00 | 99.50 | 95.00 |
| Ottawa Valley Pwr. 5½% 1970 | 103.50 | 104.50 | 103.00 |
| Quebec Power 5% 1968 | 96.00 | 98.00 | 94.00 |
| Rio Tramways 5% 1935 | 103.00 | 104.50 | 102.75 |
| Shawinigan W. & P. 5% 1970 | 95.00 | 97.00 | 96.00 |
| Shawinigan W. & P. 6% 1937 | 101.00 | 103.00 | 100.50 |
| Southern Can. Pwr. 5% 1955 | 100.25 | 102.00 | 100.00 |
| West Kootenay Pwr. 5% 1956 | 102.00 | 103.50 | 102.00 |
| **Realty Bonds—** | | | |
| Albert Bay 6½% 1942 | 60.00 | .... | 56.00 |
| Balfour Bldg. 6% 1943 | 42.00 | 47.00 | 42.00 |
| Bloor St. George 7% 1946 F | 37.00 | .... | 38.00 |
| Clarendon Apts. 7% 1946 F | 27.50 | .... | 28.50 |
| Clarendon Properties 7/44 F | 25.00 | .... | 30.50 |
| Dominion Square 6% 1948 F | 55.00 | 57.00 | 54.50 |
| Eaton Realty 5% 1949 | 95.00 | 98.00 | 92.75 |
| Godfrey Realty 5% 1949 F | 35.50 | 37.00 | 32.25 |
| General Brock Hotel 6/48 F | 30.00 | 33.00 | 31.00 |
| London Realty 6½% 1950 F | 65.00 | 67.00 | 64.00 |
| Lord Nelson Hotel 4% 1947 | 56.00 | 58.00 | 55.00 |
| Mayor Bldg. 6½% 1942 | 40.00 | .... | 38.00 |
| Metropolitan Bldg. 7% 1944 | 95.00 | .... | 94.50 |
| National Realty 7% 1945 | 27.50 | 30.00 | 27.00 |
| Northern Ont. Bldg. 6½% 1939 | 85.00 | .... | 83.00 |
| Ontario Bldg. 6½% 1943 F | 40.00 | 42.00 | 39.50 |
| Richmond Bay 6½% 1947 | 75.50 | .... | 73.50 |
| York Bldg. 6% 1943 | 71.00 | .... | 71.00 |
| **Government, Provincial & Railway—** | | | |
| C. N. R. 4½% 1957 Dom. Gtd. | 104.00 | 104.75 | 103.25 |
| C. N. R. 5% 1969 Dom. Gtd. | 109.75 | 110.50 | 109.50 |
| C. P. R. 4½% 1944 | 89.50 | 90.75 | 90.00 |
| C. P. R. 6% 1942 | 112.00 | 114.00 | 110.50 |
| Dom. of Can. 5% 1936 | 104.50 | 105.00 | 104.25 |
| Dom. of Can. 5% 1941 | 107.00 | 108.00 | 106.50 |
| G. T. P. 3% 1962 Dom. Gtd. | 90.00 | 91.25 | 89.50 |
| G. T. P. 4% 1962 Dom. Gtd. | 99.25 | 100.75 | 99.00 |
| Ont. Hydro 3½% 1952 Ont. Gtd. | 96.50 | 98.00 | 96.50 |
| Ont. Hydro 4% 1957 Ont. Gtd. | 98.00 | 99.50 | 96.50 |
| Prov. of N. B. 5½% 1950 | 107.50 | 108.50 | 107.00 |
| Prov. of Ont. 5½% 1946 | 110.25 | 111.25 | 110.00 |
| Prov. of Ont. 4½% 1944 | 104.00 | 105.25 | 104.25 |
| Prov. of Ont. 5% 1948 | 107.25 | 108.25 | 107.00 |

F—Traded without accrued interest.

## Unlisted Canadian Stocks

(Furnished by A. J. Pattison, Jr. & Co., Limited) Investment Bankers, Toronto.
March 20, 1934

| Industrial Stocks: | Bid | Asked |
|---|---|---|
| Acadia Sugar c. | 2.05 | 2.40 |
| Acadia Sugar pfd. | 4.15 | 4.50 |
| Allens London pfd. bonus c. | 37.25 | .... |
| Allens St. Cath. pf. | 37.00 | .... |
| Allens Toronto pf. | 21.25 | .... |
| Andian National | 28.50 | 30.00 |
| Atlan. Sugar pfd. | 81.00 | 86.00 |
| B. C. P. & P. pfd. | 9.25 | .... |
| Burns pfd. bon. c. | 5.50 | 7.00 |
| Can. Dom. Sugar | 44.00 | 46.50 |
| Can. Machinery c. | 2.00 | 2.75 |
| Can. Mach. pfd. | 12.00 | 18.00 |
| Canada Packers c. | 45.00 | 48.00 |
| Can. Packers pfd. ex-div. | 99.00 | 101.50 |
| Can. Starch c. | 8.50 | .... |
| Can. Starch pfd. | 79.50 | .... |
| Can. Indust. A | 152.00 | .... |
| Can. Indust. B | 151.00 | 155.00 |
| Can. Indust. pfd. | 138.00 | 141.50 |
| Can. Westing'se | 47.25 | 49.00 |
| Can. W. & Cable pfd. WW | 81.00 | 85.00 |
| Chase, pfd. bon. c. | 18.50 | 22.00 |
| Claude Neon Gen. Adv. Units | 3.75 | 6.50 |
| Copeland Fl. Units | 4.25 | 6.50 |
| Dom. F. & Steel c. | 9.00 | .... |
| Dom. F. & Steel pf. | 61.00 | .... |
| Dom. Manufac. pfd. | 66.00 | .... |
| Dom. Woollens | 2.00 | 3.25 |
| Dunlop Tire pfd. | 67.50 | .... |
| East. Dairies pfd. | 12.00 | 15.00 |
| Easy Washing pfd. | 12.25 | 14.00 |
| Federal Grain pfd. | 18.00 | .... |
| For. Power Sec. pfd. | 12.00 | 15.00 |
| Gen. Steel pfd. | 27.50 | 29.50 |
| Goderich Elev & Transit | 7.25 | 8.50 |
| Green. Wire pfd. | 64.00 | .... |
| Guelph Carpet pfd. | 80.00 | 83.00 |
| Guelph Carpet c. | 12.00 | 15.00 |
| Ham. Un. Theat. pfd. | 48.00 | 52.50 |
| Harding Carpets Units | 16.75 | 20.50 |
| Hayes Wheels pfd. | 9.50 | 16.00 |
| Highland Dairy pf. | 65.00 | 70.00 |
| Inter. Paints pfd. | 13.50 | 16.00 |
| Inter. Propriet. A | 34.00 | 36.00 |
| Loew's London pf. | 3.25 | 4.25 |
| Loew's Toronto pf. | 63.25 | 66.00 |
| Mans'eld Th. pfd. | 29.00 | .... |
| Massey-Harris pfd. | 24.00 | 26.00 |
| Nat. Grocers c. | 4.35 | 5.15 |
| Nat. Gocers pfd. | 102.75 | .... |
| New Meth. Laun. pfd. | 43.00 | 48.00 |
| Para. Kitchener pf. | 37.00 | .... |
| Para. Oshawa pfd. | 41.00 | .... |
| Prov. Paper pfd. | 82.00 | 85.00 |
| Reliance Grain pf. | 60.50 | .... |
| Rob. Cons. Cone ex-div. | 8.50 | 10.50 |
| Rolland Paper pfd. WW | 72.50 | .... |
| Ruddy, E. L., pfd. | 12.50 | .... |
| Serv. Stat. A pfd. | 50.00 | 56.00 |
| Standard Clay c. | .... | 15.50 |
| Standard Fuel pfd. bonus | 85.00 | .... |
| Supersilk pfd. bon. | 41.50 | .... |
| Supertest Pet. B pf. | 22.0 | 26.00 |
| Thayers pfd. | 25.50 | 29.00 |
| Traders Fin. A pfd. | 28.50 | .... |
| United Corpns. A | 10.00 | 12.00 |
| United Corpns. B | 3.60 | 5.00 |
| West. Grain pfd. bonus | 8.00 | 11.00 |
| Willards Choc. pf. | 10.00 | .... |
| Wood, Alex. & J. pfd. | 19.00 | 25.00 |
| Zimmerknit pfd. | 43.50 | .... |
| Brit. Amer. Assce. | 22.25 | 27.00 |
| Canada Life | 427.50 | 440.00 |

| Insurance Stocks: | Bid | Asked |
|---|---|---|
| Can. Fire | 55.00 | 59.00 |
| Comm. Life 20% pd. | 8.50 | .... |
| Confed. Life 20% pd. | 122.00 | 126.50 |
| Cont. Life 20% pd. | 35.00 | .... |
| Crown Life Ins. | 100.00% | |
| Dom. Fire Ins. | 86.50 | .... |
| Dom. Life 50% pd. | 166.50 | .... |
| Dom. of Can. Gen. Ins. | 105.50 | 115.00 |
| Empire Life 25% pd. | 8.50 | .... |
| Excel. Life 30% pd. | 74.00 | 80.00 |
| Fed. Fire 25% pd. | 35.00 | .... |
| Great West Life | 325.00 | .... |
| Guar. of N.A. fully paid | 205.00 | 225.00 |
| Guar. of N. A. 20% pd. | 41.00 | .... |
| Imperial Life | 283.00 | .... |
| Manufact. Life | 225.00 | 235.00 |
| Monarch Life 10% pd. | 17.50 | 20.50 |
| Nat. Life 25% pd. | 59.50 | .... |
| Sov. Life 25% pd. | 15.00 | 19.00 |
| Sun Life Assurance | 470.00 | 490.00 |
| Tor. Gen. Ins. | 5.25 | .... |
| West. Assur. c. | 19.50 | .... |
| West. Life 20% pd. | 9.00 | 12.00 |
| **Trust & Loan Stocks:** | | |
| Chartered Trust | 65.50 | .... |
| Eastern Trust | 141.00 | .... |
| Grey & Bruce Tr. | 25.00 | .... |
| London & West. Trust | 42.00 | .... |
| Premier Trust | 83.00 | .... |
| Sec. Loan & Sav. | 100.50 | .... |
| Sterling Trust | .... | 45.00 |
| Trusts & Guar'tee | 38.00 | 43.00 |
| Vic. Tr. & Sav. | 130.50 | 140.00 |
| Waterloo Tr. & Savings | 85.50 | 95.00 |
| **Investment Trust Shares:** | | |
| Can. Gen. Invest. | 5.70 | 6.20 |
| Can. Int. Inv. Tr. Units | 19.00 | .... |
| Can. Invest. Fund | 3.30 | 3.55 |
| Can. Investors | 6.10 | .... |
| Cons. Div. Stand. Sec. pfd. | 11.50 | .... |
| Deb. & Sec. pfd. | 32.00 | .... |
| Dom. & Anglo Inv. Units | 189.00 | .... |
| Dom. Scot. Inv. Units | 17.25 | .... |
| Invest. Found Un. | 36.00 | .... |
| Sec. Holding Units | 9.00 | 11.50 |
| **Power Issues:** | | |
| Calgary Power pfd. | 86.00 | 90.00 |
| Can. L. & P. com. | 29.50 | 32.00 |
| Can. W. N. Gas LH&P pfd. | 84.00 | 87.50 |
| Gr. Lakes P. pfd. | 38.00 | .... |
| Marit. Tel. & Tel. pfd. | 12.25 | 13.00 |
| N. B. Telephone c. | 9.10 | 10.25 |
| N. S. L&P c. | 26.50 | .... |
| N. S. L&P pfd. | 78.50 | .... |
| **Recent London Quotations:** | | |
| Brit. Col. Tele., pfd. | $95 | |
| Brew. & Distillers | 10s. 6d. | |
| Can. & For. Secs. | 5s. 6d. | |
| Can. Collier, A, Inc. stk. | 35½ | |
| Do., B | 5 | |
| Can. N. W. Land | 81½ | |
| Can. West. Lumber | 1s. 3d. | |
| Hudson's Bay | 26s. 3d. | |
| Do., 5% pref. | 97s. 6d. | |
| Internat. Holdings | 82¼ | |
| Nfld. Pr. & Pap. deb. stock B 5½% | 100½ | |
| Tor. Sub'an 4½% deb. stk. | [illegible] | |
| Trust and Loan | 1/16 | |

## Classified Advertisements

Classified ads cost 4c. per word and figure for each insertion. Minimum ad, $1.75. Add five words when box number is required. Classified ads payable in advance.

### Handwriting Analysis

DO YOU WANT A COMPLETE KNOWLEDGE of yourself and powers? Send specimen of handwriting for a thumb-nail analysis — which gives your right job, what you look like, personality, marriage affinity, faults to remedy. Fee $1. Please mention The Post. State present work. Address F. D. Jacobs, P.O. Box 701, Ottawa, Ont. Well-known graphologist, heard over Radio last summer.

### FOR SALE

Large Building situated in Quebec City at proximity of Harbour docks and railway depot, suitable to branch office and Warehouse for an outside Manufacture.

For further information, apply to: Secretary, Quebec Board of Trade, Quebec, P.Q.

### SALES EXECUTIVE

Young and Aggressive

with successful record contacting highest executives in many lines of industry throughout Canada, desires permanent connection where ability to reach and interest business leaders will produce permanent association. Valuable connections in Europe and the U.S.A. Excellent commercial and social references. A personal interview would be mutually appreciated.

Box 254, Financial Post,
Toronto

### Executive Available

GRADUATE CHEMICAL ENGINEER, young man with executive and manufacturing experience, desires position. Could invest up to five thousand in sound business if necessary. State complete details in first letter. All replies considered confidential if desired. Box No. 252, Financial Post, Toronto.

A WIDELY EXPERIENCED CANADIAN and American manufacturing superintendent, is open for an engagement in Ontario at a moderate salary. Has knowledge of various lines, and ingenuity to devise new ideas and inventions to reduce the cost of production and give a new slant to the business. Box 260, The Financial Post, Toronto, Ont.

### Bond Salesman Wanted

Stock broker with wire connections in principal cities in Canada wishes to get in touch with a real salesman who understands the bond business thoroughly. He should have an established clientele, though it is not essential. He should be the sort of man who, but for the lack of the necessary capital, would be in business for himself. He should know from experience how the facilities of a brokerage house may be turned to his own profit in selling bonds. He must like the bond business so well that he will not be under constant temptation to turn stock broker. He should be a man who likes to work independently, and who will appreciate the advantage of having at his elbow the machinery to carry out his transactions and to service his clients.

There is no salary attached; rate of commission will be arranged. Replies in full detail will be treated in strict confidence. Our own employees have been advised of this advertisement. Reply Box 258, Financial Post, Montreal.

### Business Wanted

FIRM WITH LONG AND SUCCESSFUL manufacturing and selling experience is in a position to add a new line capable of national and export development. Will invest in or buy outright; preferably in old established business of high repute where owners are thinking of retiring. Address in confidence. Box 222, The Financial Post.

### Meetings Reported

BE QUOTED correctly! At every gathering where it is desirable to record accurately all that has been said, let Stenotype Service take the responsibility. Mechanical shorthand is employed to ensure speedy, trustworthy verbatim reports. Conventions, club gatherings, boards of directors, political associations, etc., etc., can employ this service at all meetings with assurance of satisfaction. Fees are moderate. For further information write The Stenotype Reporting Bureau, 481 University Ave., Toronto.

## NOTICES

### The Ontario Municipal Board

Notice is hereby given that the Municipality of the City of Niagara Falls has become subject to the provisions of Part VI of "The Ontario Municipal Board Act, 1932," by an Order of The Ontario Municipal Board bearing date the Third Day of March, A.D. 1934, and from and after the first publication of this Notice in the "Ontario Gazette" all actions or proceedings against the said Municipality are stayed, and thereafter no action or other proceedings against the said Municipality shall be commenced or continued,—nor shall a levy be made under a Writ of Execution against it without leave of The Ontario Municipal Board.

Dated this Third day of March, A.D. 1934.

H. C. SMALL,
Secretary,
The Ontario Municipal Board.

## NOTICE

To Canadian Policyholders of the Alliance Casualty Company, Philadelphia, Pennsylvania, U. S. A.

On June 1, 1933, the Alliance Casualty Company, Philadelphia, Pennsylvania, U. S. A., reinsured, with the Indemnity Insurance Company of North America, Philadelphia, Pennsylvania, U. S. A., all of its unexpired policies, outstanding obligations and liabilities. On June 16, 1934, application will be made to the Minister of Finance for the release of its securities deposited and now held by the Receiver General and any Canadian Policyholders opposing such release should file their opposition with the Minister of Finance on or before that date.

ALLIANCE CASUALTY COMPANY,
FRANK A. EGER,
Secretary.

## DIVIDEND NOTICES

### The Dominion Bank

Notice is hereby given that a Dividend of two and one-half per cent upon the paid-up Capital Stock of this Institution has been declared for the quarter ending 31st March, 1934, being at the rate of ten per cent per annum, and that the same will be payable at the Head Office of the Bank and its Branches on and after Tuesday, the 3rd day of April, 1934, to Shareholders of record of the 20th March, 1934.

By Order of the Board.

DUDLEY DAWSON,
General Manager.

Toronto, 15th February, 1934.

### The Toronto Mortgage Company

Quarterly Dividend

Notice is hereby given, that a Dividend of Three per cent., upon the paid-up Capital Stock of this Company, has been declared for the current Quarter, and that the same will be payable on and after

2nd April, 1934,

to Shareholders of record on the books of the Company at the close of business on 15th instant.

By order of the Board,

WALTER GILLESPIE,
Manager.

### The TORONTO GENERAL TRUSTS CORPORATION

DIVIDEND NO. 151.

Notice is hereby given that a dividend of one and one-half per cent. (1½%) has been declared upon the paid-up capital stock of this Corporation for the quarter ending March 31st, 1934, payable on and after Monday, the Second day of April, 1934, to shareholders of record at the close of business on March 17th, 1934.

By Order of the Board of Directors.

W. G. WATSON,
General Manager.
Toronto, March 13th, 1934.

### General Trust of Canada

Dividend No. 20

A dividend of 1½%, being at the rate of 6% per annum, for the quarter ending March 31st, 1934, on the preference stock of the Company, has been declared, payable on April 3rd, 1934, to shareholders of record on March 26th, 1934, at noon.

RENE MORIN,
General Manager.

Montreal, February 16th, 1934.

### A. J. Freiman, Limited

DIVIDEND NOTICE

A dividend of one and one-half per cent (1½%) on the 6% cumulative redeemable convertible preferred shares of A. J. Freiman, Limited, being at the rate of 6% per annum, will be paid on the 2nd day of April, 1934, to shareholders of record March 15th, 1934.

By resolution of the Directors.

Dated at Ottawa this 13th day of March, A. D. 1934.

S. R. OUELLETTE,
Secretary-Treasurer.

### United Securities Limited

Notice is hereby given that a dividend of Fifty cents (50c.) per share has been declared on the outstanding common shares of the Company for the quarter ending March 31st, payable April 16th, to shareholders of record March 27th, 1934.

By Order of the Board,

JAMES WILSON,
Secretary-Treasurer.

Montreal, March 14, 1934.

### Montreal Tramways Company

DIVIDEND NOTICE

Notice is hereby given that a dividend of TWO DOLLARS AND TWENTY-FIVE CENTS ($2.25) per share, for the quarter ending March 31st, 1934, has been declared upon the paid-in Capital Stock of the Company, to shareholders of record on Thursday, the 5th day of April, 1934, at 4 o'clock p.m. and payable on Saturday, the 14th day of April, 1934.

By order of the Board.

PATRICK DUBEE,
Secretary-Treasurer.

March 19th, 1934.

### THRIFT STORES, LIMITED

DIVIDEND NOTICE

NOTICE is hereby given that the following Dividends have been declared by Thrift Stores Limited:

One and Five-eighths per cent. (1⅝%) on the 6½% FIRST CUMULATIVE REDEEMABLE CONVERTIBLE PREFERENCE SHARES and

One and Three-quarters per cent. (1¾%) on the SECOND CUMULATIVE REDEEMABLE CONVERTIBLE PREFERENCE SHARES.

The above Dividends are for the quarter ending March 31st, 1934, payable April 2nd, 1934, to shareholders of record March 23rd, 1934.

Ten cents per share on the COMMON SHARES OF NO PAR VALUE, payable April 2nd, 1934, to shareholders of record March 23rd, 1934.

By order of the Board of Directors.

THOS. F. MUNDY, Sec.-Treas.
Montreal, March 20th, 1934.

### Silverwood's DAIRIES LIMITED

DIVIDEND NOTICE

Notice is hereby given that a quarterly dividend of one per centum (1%) being at the rate of 4% per annum, has been declared on the Preference Shares of the Company, payable April 2nd, 1934, to shareholders of record at the close of business, March 20th, 1934.

By order of the Board.

J. H. GILLIES,
Secretary.

# PREMIER REPORTS $248,581 PROFIT LITTLE NEW ORE

## Milling Rate Up, Costs Down to Meet Lower Grade Ore

Annual report of Premier Gold Mining Co., subsidiary of the American Smelting & Refining Co., shows for the fiscal year ended December 31, 1933, a further curtailment in production, lower costs and an increase in net profits to $248,581 as compared with $107,749 in the previous year. This is equivalent to five cents per share in 1933 as against dividend requirements of 12 cents per share which are provided for partly as a return of capital from a liberal reserve account set up for depreciation and depletion.

Income & Surplus Account
Years Ended December 31

| | 1933<br>$ | 1932<br>$ |
|---|---|---|
| Production | 1,562,939 | 1,781,672 |
| Less: Oper. exp. | 594,905 | 706,244 |
| Adminis. exp. | 7,436 | 7,623 |
| Income taxes, etc. | 128,341 | 153,004 |
| Net oper. earnings | 832,197 | 914,801 |
| Add: Misc. income | *33,739 | 20,533 |
| Total net earnings | 798,458 | 935,334 |
| Less: Depreciation | 110,902 | 100,902 |
| Depletion | 407,925 | 506,503 |
| W/o Prosperity | 31,050 | 120,181 |
| W/o Porter-Idaho | ...... | 99,999 |
| Net profit | 248,581 | 107,749 |
| Return of capital from deprec. & deplet. | 379,990 | 572,151 |
| Avail. for divds. | 628,571 | 679,900 |
| Less: Dividends | 628,571 | 679,900 |

*Loss.

Earns. per Share and Div. Record:

| | 1933 | 1932 |
|---|---|---|
| Earn. (on net prof.) | $0.05 | $0.021 |
| Paid | 0.12 | 0.12 |
| Shares outstanding | 5,000,000 | 5,000,000 |

The previous annual reports have referred to the bottoming of the main Premier ore shoots above the fifth level, with a few roots of ore persisting down to the sixth level. Intensive exploration and development in 1933 coupled with diamond drilling were moderately successful in finding new ore, but did not result in opening upon as much as was mined during the year. Broken ore reserves on December 31, 1933, were 56,424 tons as compared with 120,800 tons at the end of the previous year. The exhaustion of the higher grade direct shipping ore, which in previous years represented a large proportion of the revenue would have caused a much greater drop in the profits of the past year had it not been for the substantial increase in the price of gold and silver and the increased tonnage milled.

The following tabulation gives summary of production since inception of operations:

| Year | Mined (tons) | Bullion Receipts $ |
|---|---|---|
| 1919 | 488 | *165,000 |
| 1920 | 799 | *124,000 |
| 1921 | 6,356 | *1,400,000 |
| 1922 | 102,334 | 4,782,885 |
| 1923 | 145,665 | 3,252,917 |
| 1924 | 159,014 | 3,857,328 |
| 1925 | 168,557 | 3,267,214 |
| 1926 | 230,987 | 3,782,032 |
| 1927 | 244,172 | 3,737,565 |
| 1928 | 275,811 | 3,180,117 |
| 1929 | 266,972 | 2,404,980 |
| 1930 | 256,836 | 1,996,748 |
| 1931† | 242,817 | 1,648,350 |
| 1932 | 221,718 | 1,781,672 |
| 1933 | 185,421 | 1,562,939 |
| | | 36,843,747 |

*Approximate.
†Includes Prosperity production.

In the 14 years the company has been in production in the Portland Canal area of British Columbia, it has assumed first place as the leading gold producer in the province and has distributed to shareholders a total of $17,258,075 in dividends.

In addition to its Premier mine operations the company owns 76 per cent interest in the Prosperity group of claims, adjacent to Stewart, B.C.

The ore bodies of this property, although fairly high-grade in silver, are reported small and irregular. It has not operated since early in 1931 owing to the low price of silver.

The company also owns 82 per cent interest in the Porter-Idaho Mining Co., adjoining the Prosperity claims. Operations have remained suspended since April, 1931, owing to low silver prices.

An 80 per cent interest is owned in the Toburn Gold Mines, a dividend payer in the Kirkland Lake area.

In May, 1933, jointly with the American Smelting & Refining Co., the Tarkwa gold areas in the Gold Coast colony of West Africa were purchased. The properties held by this company have produced over 1,300,000 oz. of gold and the Abbontiakoon section is currently producing over 6,000 tons of ore monthly. Profits from May to December, 1933, were $41,313.

**Drilling Australian Property**

On the Little Bell and Big Bell gold properties in Western Australia, jointly owned by the company and the American Smelting & Refining Co., a diamond drilling programme was conducted in 1933. Data are being assembled on the work completed and a decision is to be reached regarding the further development of the property and the equipping of it for production.

Late in 1933 an option was taken on the Alexandria group of claims on Phillip Arm, B.C. Examination is under way and if the option is exercised a 60 per cent interest in the property will be acquired in consideration of financing the property to production.

No change was made in a year in the company's 38 per cent interest in the B. C. Silver Mines. Negotiations have been under way to effect an arrangement for the treating of the ore from this adjoining property in the Premier mill, but no agreement satisfactory to interested groups has been effected.

The following tabulation gives comparative figures and working capital for the past two years:

Working Capital

| | 1933<br>$ | 1932<br>$ |
|---|---|---|
| Current assets | 2,002,488 | 2,287,890 |
| Current liabilities | 373,759 | 400,948 |
| Working capital | 1,628,729 | 1,886,942 |

## DIVIDEND NOTICES

### 71st Quarterly Dividend

Notice is hereby given that a dividend of Thirty-seven Cents per share (being at the rate of One Dollar and Fifty Cents per annum) on the no-par-value Common Shares of the Company presently issued and paid-up for Quarter ending March 31st, 1934, has this day been declared to shareholders of record, March 31st, 1934, on the Montreal and London, England, registers.

Dividend cheques will be mailed to registered shareholders April 30th, 1934.

By Order of the Board,

G. R. WHATLEY,
Secretary.

Montreal, March 19th, 1934.

Montreal Light Heat & Power
CONSOLIDATED

*Owned by 60,000 shareholders, Montreal Light Heat & Power comprises the largest group of customer-owners possessed by any public utility company in Canada*

### Provincial Paper Limited

Notice is hereby given that Regular Quarterly Dividend of 1¾% on Preferred Stock has been declared by PROVINCIAL PAPER LIMITED, payable April 3rd, 1934, to Shareholders of record as at close of business, March 15th, 1934.

W. S. BARBER,
Secretary-Treasurer.

Toronto, Ontario.

### Highland Dairy, Limited

PREFERENCE DIVIDEND NO. 17.

Notice is hereby given that a Dividend of $1.75 per share for the three-month period ending March 30th, 1934, being at the rate of 7% per annum, has been declared on the outstanding Preference Shares of the Company, payable on April 2nd, 1934, to shareholders of record on the register at the close of business on the 23rd day of March, 1934.

By order of the Board.

M. MAYNE KENNEDY,
Secretary.

Toronto, Ontario, March 17, 1934.

### Provincial Geologist

HAROLD COLEMAN RICKABY

Newly appointed provincial geologist for Ontario to succeed the late Dr. A. G. Burrows. Mr. Rickaby was an honor graduate in chemistry and mineralogy of the University of Toronto in 1922 and a master of arts graduate in 1923. He joined the Ontario Department of Mines in 1927.

## Gods Lake Mines Season's Freight Nearly Delivered

Gods Lake Gold Mines, according to Robert J. Jowsey, president, who has just returned from the property in Northern Manitoba, has over 90 per cent of its freight delivered, thus assuring no interruptions in its plans for the next season.

Diamond drilling has been continued since the annual report was made in February and hole No. 42, located 650 ft. west of No. 36, cut a vein 6½ ft. wide carrying .16 oz. of gold per ton. Diamond drill hole No. 43 encountered 3 ft. 9 in. of ore averaging .85 oz. of gold per ton and hole No. 44 cut 2 ft. 10 in. of vein matter assaying .63 oz. per ton.

A small diamond drill is operating preparatory to the more aggressive programme of sinking a vertical shaft, presently down 30 ft. with hand steel.

On the Reno group some six miles west of the Akers claims, diamond drilling has so far outlined an ore zone 250 ft. in length to a depth of 100 ft. showing a highly fractured porphyry.

Average width is 4.31 ft., giving an average value of $11.55 with each end of the zone still open.

## At the Mines

**Ajax Oil & Gas Co.**—Shareholders at annual meeting were informed $18,000 bank loan appearing in annual report has been paid. Drilling is proceeding at a depth of 2,750 ft. at a gas well in the Chatham area.

* * *

**Bagamac Rouyn Mines**—No. 5 drill hole encountered heavy chalcopyrite mineralization at a depth of 584 ft. and approximately 900 ft. south of the Noranda boundary.

* * *

**Buffalo Canadian Gold Mines**—No. 10 vein has been trenched for a length of 100 ft. showing a width of approximately three ft. This vein is 450 ft. north of the No. 2.

* * *

**East Crest Oil Co.**—At the annual meeting of the shareholders in Calgary on March 13, four new directors including Newton Wylie, Toronto, Dr. W. Collbeck, Welland, and T. C. Anderson, Winnipeg, were added to the board. Shareholders were told their subsidiary, Crest Holding & Development Co., had acquired an interest in a sodium sulphate deposit at Oban, Sask.

* * *

**Manitoba & Eastern Mines** — The company has purchased a Polar Diesel power plant for its property at Temagami, Ont., and plans a more aggressive programme.

* * *

**National Gold Mines**—The company announces the purchase of a 200-ton standard mill which is to be installed at once.

* * *

**Stanley Siscoe Extension Gold Mines**—Shareholders approved of this change in capital stock classifying old shares into Class B stock and newly issued shares in Class A in order to facilitate future financing. It is understood that the Class A shares are to be listed in Montreal. Under the financial agreement it is understood 1,100,000 shares will be available for future financing. R. E. Parkes, mining engineer, reported that development work proposed included the sinking of a shaft into 1,000 ft.

* * *

**Sullivan Consolidated Mines** — An official report says sufficient ore is in sight for two years' supply of the 100-ton daily capacity mill now under process of erection and which is planned for completion next month. H. A. Kee, general manager, reports the ore grade averages $14 per ton in gold with gold at normal value, and estimates operating cost at $6 per ton.

* * *

**Tom Johnson Nipigon Mines**—Officials report equipment and supplies have arrived at the property in the Little Long Lac area and that first offering of the 250,000 shares at 30 cents has been over-subscribed.

## Bralorne Mines Makes Strike on Seventh Level

From Our Own Correspondent

VANCOUVER. — A new strike at Bralorne is reported as made on No. 7 level, west of the No. 2 fault. High grade ore had been found at the point where the heading reached No. 1 fault.

The ore has been followed over a length of 200 feet and has been found to be of good grade. The full length has not yet been defined, however, and definite values are unknown.

It is understood that a network of veins striking in different directions has been encountered near No. 2 fault on the same level and, while only partly explored, this shows some remarkable values with widths up to 20 feet.

On No. 8 level the ore body between the two major faults has been followed 450 feet with a maximum width of 65 feet and average width around 15 feet. The ore body appears to be lengthening with every foot gained, with possibilities for important developments as depth is attained.

## G. A. Clothier Resigns To Manage Dictator Mine

From Our Own Correspondent

VICTORIA.—One of the most recent incorporations to be registered here is the Dictator Gold Mines to develop claims at Lightning Peak in the Arrowhead Lakes district. G. A. Clothier, well-known government mining engineer, has resigned from the service in order to assume the position of engineer and managing director of the new company.

The first work will be the building of two miles of road to connect with the adjacent Waterloo mine road.

The property has been favorably reported on by J. B. Freeland, resident government engineer for that district, C. E. Cairnes, of the Geological Survey and J. E. Shannon, engineer in charge of the Waterloo, have also examined the Dictator.

The company is capitalized at 2,500,000 shares of no par value of which 750,000 have been issued for the property and for work accomplished to date. A. M. Manson, K.C., former Attorney-General of British Columbia, is president.

## Helena Mines Options Old Van Roi Property

From Our Own Correspondent

VICTORIA.—Helena Gold Mines, which last year acquired the Georgia River Gold Mines, Ltd., for 800,000 shares, is planning to continue development at the Georgia River property and at the same time to develop the Van Roi Mine, well-known silver-lead-zinc property in the Slocan, according to C. M. Lindsay, managing director.

The Van Roi is reported to have produced $2,000,000 in silver and base metals in past operations. It is understood that the 100-ton mill can be brought up to date with small expenditure and the mine operated profitably with very little advance in metal prices.

## Smelters Purchases Old Cordova Mines

Consolidated Mining & Smelting Co., which a few months ago dropped its option on the Belmont property owned by the Cordova Mines in Peterborough Twp., Ont., has now purchased it outright. Recently the mine was advertised for sale at public auction by its owner, Luther Woods, of Buffalo, but it is understood that an offer of $10,000 by Consolidated Smelters proved more acceptable to the owners.

Smelters spent about $60,000 on the property last summer.

We Have Available the Newest Map of Kirkland Lake Gold Area

(14 inches by 48 inches)

Copy FREE On Request

H. DON MILLER LIMITED
General Investment Brokers
372 Bay Street, TORONTO, (EL. 8393)

H. DON MILLER LIMITED,
372 Bay Street,

Please send me a copy of the map of KIRKLAND LAKE GOLD AREA, without cost or obligation.

Name ........................................ F.P.

Address ........................................

## Smelters Gold Reports $102,349 in Current Assets

At the annual meeting of shareholders of Smelters Gold Mines, held in Toronto on March 19, it was announced that new financial interests would take up a block of stock at 30 cents per share to provide finances for the company.

The balance sheet as at December 31, 1933, showed current assets at $102,349, and current liabilities totalling $10,341. Of the 5,000,000 shares capitalization, 3,224,901 shares are outstanding.

H. D. McCrae, president of the company, said that Kirkland Hudson Bay Mines had taken up 200,000 shares, placing $50,000 in the treasury before dropping its option. The new financial arrangement is essentially a continuation of the Kirkland Hudson Bay agreement.

Of the main ore body, nine diamond drill holes were put down, each cutting a continuation of the vein.

FOUR NATIONS
BOUGHT — SOLD — QUOTED
H. DON MILLER LIMITED
General Investment Brokers
372 Bay Street, TORONTO. (EL. 8393)

# Mining Stock Quotations

Week Ending March 19.

| Par Val. | Range 1934 High | Range 1934 Low | Company | Sales | Close Mar. 12 (or last) | High for week | Low for week | Close Mar. 19 |
|---|---|---|---|---|---|---|---|---|
| 1 | .06 | .01 | Asconda | 23,200 | .02½ | .02½ | .02 | .02 |
| No | .28 | .13 | Aldermac | 480,970 | .17 | .23 | .17 | .22½ |
| 1 | .10 | .02½ | Alexandria | 164,600 | .07½ | .07½ | .06½ | .07 |
| No | .03½ | .01½ | Algoma | 63,000 | .02½ | .02½ | .02½ | .02½ |
| 1 | .02½ | .00½ | Algonquin | ...... | ...... | ...... | ...... | ...... |
| [illegible] | [illegible] | [illegible] | [illegible] | [illegible] | [illegible] | [illegible] | [illegible] | [illegible] |
| 1 | 1.60 | .83 | Bradian Warrants | 4,170 | 1.17 | 1.60 | 1.15 | 1.60 |
| | 2.75 | 2.10 | Bradian Gold | 36,165 | 2.20 | 2.75 | 2.18 | 2.65 |
| 25c | .03 | .02 | Bluebird | ...... | .02½ | ...... | ...... | ...... |
| No | 11.75 | 9.85 | Bralorne | 4,104 | 11.45 | 11.75 | 11.25 | 11.60 |
| 1 | .47½ | .30 | Bridge River Cons. | 117,345 | .38½ | .47½ | .34 | .45½ |
| [illegible] | [illegible] | [illegible] | [illegible] | [illegible] | [illegible] | [illegible] | [illegible] | [illegible] |
| 25c | .04 | .02 | Sonora | [illegible] | [illegible] | [illegible] | [illegible] | [illegible] |
| 1 | .40 | .28 | Standard Gold | 3,000 | .31 | .32 | .30 | .30 |
| 10 | 6.60 | 4.75 | Sunshine | 1,900 | 6.15 | 6.60 | 6.30 | 6.30 |
| 1 | .28 | .20 | Sunloch | ...... | ...... | ...... | ...... | ...... |
| No | .77 | .50 | Taylor Bridge | 28,080 | .69 | .78 | .68 | .78 |
| | .41 | .35 | Taylor Windfall | 36,700 | .37½ | .41 | .38½ | .40 |
| | .05 | .04 | Thurlow Gold | ...... | ...... | ...... | ...... | ...... |
| 5 | .25 | .20 | Toric | ...... | ...... | ...... | ...... | ...... |
| 50c | .28 | .04½ | United Empire | 6,000 | .25 | .25 | .24 | .25 |
| No | 3.15 | 1.40 | Vidette Gold | 12,450 | 2.65 | 3.15 | 2.65 | 3.09 |
| No | .27½ | .13 | Waterloo Gold | 9,900 | .28 | .28 | .20 | .20 |
| 25c | .04½ | .02½ | Waverly Tangier | 335,800 | .03 | .03½ | .02½ | .03 |
| 50c | .47 | .30 | Wayside | 44,500 | .44 | .44 | .41 | .42 |
| 20c | .03½ | .02½ | Wellington | 1,000 | .03½ | .03 | .03 | .03 |
| No | .42 | .30 | White Eagle | 6,400 | .36½ | .41½ | .35 | .41 |
| 1 | .10½ | .06½ | Whitewater | 15,500 | .08½ | .09½ | .08½ | .09½ |

OIL STOCKS

[illegible]

VANCOUVER STOCK EXCHANGE

[illegible]

DIVIDEND PAYERS

| | Rate | Yield % | | Rate | Yield % |
|---|---|---|---|---|---|
| Ajax Oil | 8c. | 5.93 | Mercury Oils | 4c. | ..... |
| Bralorne | 12½c. | ..... | Merland Oils‡* | 5c. | ..... |
| Buloio Gold‡ | 60c. | ..... | Model Oils | 3c. | ..... |
| Coast Brew | 9½c. | 10 | Noranda‡ | $1 | ..... |
| Coniagas‡ | 12½c. | ..... | Petrol Oil‡* | 1c. | ..... |
| Cons. Smelters | 1.50 | ..... | Premier | 12c. | 7.89 |
| Dome Mines | 1.50 | ..... | Pioneer, B.C. | 60c. | 4.93 |
| Falconbridge | 5c. | ..... | Royalite* | $1 | ..... |
| Goldfield Cons.‡* | 5c. | ..... | San Antonio† | 5c. | ..... |
| Hollinger | 65c.+20c. | 5.21 | Siscoe | 12+2c. | 6.88 |
| Howe Sound | $3 | ..... | Sterling Pacific Oil‡ | 2½c. | ..... |
| Int. Coal & Coke‡ | 2c. | ..... | Sunshine Min. | 5+7c. | ..... |
| Inter. Nickel, c. | 10c. | ..... | Sylvanite | 10+5c. | 5.90 |
| Lake Shore | $2+$1 | 6.00 | Teck-Hughes | 60c. | 8.83 |
| McIntyre | 1.62½ | 3.68 | Wright-Har. | 40+10c. | 5.43 |

‡Interim. †Initial. *Paid in 1933.

## Unlisted Mining Stocks

March 20, 1934

| | Bid | Ask | | Bid | Ask |
|---|---|---|---|---|---|
| Adanac Gold | .31 | .34 | Kirk. Gold | .22 | .28 |
| Algoma M. & F. | .15 | .17½ | Lake Geneva | .12 | .17 |
| Arntfield Gold | .80 | 1.00 | Long Lac Lag | .45 | .48 |
| Arntfield Synd. | .75 | .90 | Lamaque Gold | 1.40 | 1.50 |
| Astoria Rouyn | .02½ | .03¼ | Little Long Lac | 3.43 | 3.48 |
| Bathurst | .03¾ | .04¼ | McCarthy Webb | ... | .14 |
| Beattie | 1.25 | 1.35 | Mackenzie Red Lake | .98 | 1.03 |
| Bidgood | .02½ | .03 | McL. Cockshutt | .41 | .44 |
| Bloom Lake | .27 | .31 | Makwa Cham. | .32 | .35 |
| Buff. Ankerite | 1.55 | 1.65 | McCuaig R. Lake | .27 | .29 |
| Buff. Rouyn | ... | .03 | Man. & Eastern | .21 | .23 |
| Bussieres Min. | ... | .40 | Matachewan Can. | .28 | .30 |
| Can. Pandora | .30 | .33 | Mecca Gold | .20 | .25 |
| Can. Radium | .08 | .12 | Metals Develop. | .04 | .06 |
| Canusa Mining | .07 | .10 | Minefinders | 1.50 | 2.00 |
| Car. Coronada | .24 | .28 | Martin-Bird Un. | 14.00 | 16.00 |
| Cent. Swayze | .05 | ... | N.A.M.E. Units | 5.00 | ... |
| Clover G. Units | 23.00 | 25.00 | Normetal Mine | .60 | ... |
| Cochenour Wil. | 40.00 | 50.00 | North Shore | .24 | .27½ |
| Columario (old) | .50 | .54 | Northl'd Pros. | ... | 400.00 |
| Continental Kirk. | .05 | .07 | O'Connell Gold | .39 | .44 |
| Coupland Gold | .39 | .42 | Oro Grande Dev. | ... | .50 |
| Crown Reserve | .04 | .06 | Peninsular Pet. | .00½ | .01 |
| Delta Units | 30.00 | 50.00 | Pickle Crow | .88 | .94 |
| Dorval Siscoe Units | 10.00 | 13.00 | Pontiac Rouyn | .50 | .55 |
| Dunlop Cons. | .01 | .02½ | Que. Eureka Un. | 10.00 | 15.00 |
| Eagle Oil | ... | 1.50 | Queen Lebel | .03½ | .10 |
| Echo Bay Expl. | ... | .35 | Silveradium Un. | ... | 35.00 |
| Edgecreek Un. | 10.00 | 15.00 | Silver Valley | ... | .20 |
| Four Nations | .30 | .35 | Smelter Gold | .36 | .39 |
| Galatea Units | 30.00 | 50.00 | Sourdough Un. | 5.00 | 10.00 |
| Glenora Gold | .50 | .53 | Sun Bear | ... | .20 |
| Goldside Units | 43.00 | 50.00 | Sunorca Explor. | 1.55 | 1.65 |
| Gold Bar | .13 | .15 | Swayze Contact | ... | .16 |
| Greenlaw | .07 | .08 | Tashota Goldfield | .28 | .33 |
| Gr. Bear Lake | .43 | .47 | Tashota Gold | .06 | .08 |
| Gunnar Gold | 1.25 | 1.35 | Tiblemont Island | .20 | .22 |
| Herbin Lake Un. | 19.00 | 21.00 | Titurno Units | 25.00 | 30.00 |
| Horseshoe | .05 | .09 | Toburn | 1.30 | 1.40 |
| Huronian M. | .50 | ... | Tyrrell Tp. McN. | ... | 40.00 |
| Huron Oil Un. | 15.00 | 20.00 | Vipond | .50 | ... |
| Inter. Gold | .22 | .25 | West McW. Units | 5.00 | 9.00 |
| Island Lake | .08 | .11 | Wendigo | .43 | .47 |
| Johnson Nipigon | .32 | .35 | Young Davidson | .44 | .48 |
| Keeley | .50 | ... | Young Munro | .12 | .15 |
| Kenty Gold | .90 | 1.00 | | | |

The above table is made up from quotation sheets of several brokers. The Financial Post does not guarantee the quotations but can supply any subscriber with the name of the broker from whose sheet any particular quotation was taken.

## Dominion of Canada Bonds

Quotations furnished by A. E. Ames & Co., Canada Permanent Building, Toronto, Ont.

March 21, 1934

| | Rate | Maturity | Asked | Approx. Yield |
|---|---|---|---|---|
| *†Dominion | 5 | 1 Mar., 1937 | 107.25 | 2.48 |
| †Dominion | 5½ | 1 Dec., 1937 | 109.50 | 2.80 |
| Dominion | 5½ | 1 Nov., 1934 | 101.65 | 2.96 |
| Dominion | 3½ | 15 Oct., 1935 | 101.25 | 2.69 |
| Dominion | 4 | 15 Oct., 1935 | 102.00 | 2.70 |
| Dominion | 5 | 15 Nov., 1936 | 105.25 | 2.80 |
| Dominion | 4 | 15 Oct., 1939 | 102.25 | 3.55 |
| Dominion | 4½ | 1 Sept., 1940 | 104.75 | 3.66 |
| Dominion | 5 | 15 Nov., 1941 | 108.00 | 3.79 |
| Dominion | 5 | 15 Oct., 1943 | 108.25 | 3.96 |
| Dominion | 4½ | 15 Oct., 1944 | 104.75 | 3.95 |
| Dominion | 4 | 15 Oct., 1943-45 | 100.50 | 3.94 |
| Dominion | 4½ | 1 Feb., 1946 | 104.50 | 4.03 |
| Dominion | 4 | 15 Oct., 1947-52 | 100.50 | 3.95 |
| Dominion | 4½ | 1 Nov., 1946-56 | 103.50 | 4.15 |
| Dominion | 4½ | 1 Nov., 1947-57 | 103.50 | 4.17 |
| Dominion | 4½ | 1 Nov., 1948-58 | 103.75 | 4.18 |
| Dominion | 4½ | 1 Nov., 1949-59 with talons | 104.25 | 4.19 |

Dominion Guaranteed Bonds

| | Rate | Maturity | Asked | Approx. Yield |
|---|---|---|---|---|
| xCan. Nat. Ry. | 4½ | 1 Sept., 1951 | 106.00 | 4.02 |
| *Can. Nat. Ry. | 4½ | 1 July, 1957 | 104.75 | 4.19 |
| Can. Nat. Ry. | 5 | 1 Feb., 1954 | 108.75 | 4.34 |
| xCan. Nat. Ry. | 4¾ | 15 June, 1955 | 108.25 | 4.16 |
| xCan. Nat. Ry. | 4½ | 1 Feb., 1956 | 105.75 | 4.08 |
| xCan. Nat. Ry. | 4½ | 1 Dec., 1958 | 105.00 | 4.23 |
| xCan. Nat. Ry. | 5 | 1 Oct., 1969 | 110.75 | 4.26 |

†Tax Exempt Issues. *Payable in Canada and New York. xPayable in Canada, New York, and London

# Canadian Mining News

# The Week in Mining

### Are Surpluses To Be Taxed?

WHILE the federal budget is expected to be tabled shortly it is said to provide for no increased mine taxation, but there may be modifications in taxing earned surpluses of corporations that would have a bearing on mining companies.

A few of Ontario's leading gold mines have pursued the policy of building up a strong liquid position further enhanced by unprecedented profits due to the prevailing price of gold. While dividend rates of these companies have been increased, these increased earnings have not been entirely disbursed with the result that the earned surpluses have been mounting rapidly. Whether or not the new budget provides for any increased taxes on undistributed surpluses is a conjecture, but the fact that Hollinger Consolidated Gold Mines recently dipped into its surplus to disburse 15 cents a share in addition to its regular monthly dividend of five cents per share and the reports that Dome Mines proposed to make a capital distribution, have a bearing on the possibility of some new tax legislation.

Rumors have been current that Dome would split its capital, but that seems unlikely notwithstanding the present high prices for the shares. What happened in March, 1922, may be repeated. On that occasion the capital structure of Dome was $5,000,000 in $10 par value shares. A capital distribution was effected by reducing the par value of the shares from $10 to $9 and the disbursing of $1 to shareholders in the form of capital repayment. At the present time Dome's capital structure is in no par value shares of which 953,334 are in the hands of the public. This capitalization is carried on the balance sheet at $7,000,000 and a further distribution of capital might be effected without any change in the capital set-up of the company.

* * *

### Siscoe Directors in Arms

AT A meeting of Siscoe Gold Mines directors held in Montreal on March 19, the fight for proxies between John T. Tebbutt, president, and W. A. Fensom, took definite form with the board cancelling the proxy form first sent out mentioning names of Messrs. Tebbutt and Fensom while the new one nominates W. A. Fensom, J. B. Lynch and G. N. Coyle.

The fight developed when the group known as the protective committee sent out forms soliciting proxies in favor of J. T. Tebbutt and H. E. Kee or A. H. Trudeau. Not only did Mr. Tebbutt's name appear on the protective committee's proxy form but also on the official proxy form which has now been cancelled.

Mr. Tebbutt has been connected with the company since its inception and has seen it grow from a wildcat five years ago into Quebec's largest gold mine. It has been known for some time that opposing interests have been trying to gain control of the company and the fight now on promises to result in a show-down.

* * *

### The Dies Silver Bill

THE Dies bill to enact silver remonetization, which passed the United States House of Representatives on March 19, and has been sent to the Senate for consideration, was introduced on the ground that it would have a far-reaching effect in those countries seeking agricultural products from the United States and having silver with which to pay.

The bill directs that silver be accepted at 25 per cent above the world price in exchange for agricultural commodities in which a surplus exists, which means most farm products. The silver received from the trading countries would be used to back new issues of silver certificates.

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## HOLLINGER PROFIT $1.17 PER SHARE; BIG ORE INCREASE

### After 23 Years, Earnings Are Second Only to 1925 Record

### STILL LOWER COSTS

### New Developments Below 2,750-ft. Level Fast Adding Higher Grade Ore

The 23rd annual report of Hollinger Consolidated Gold Mines, Canada's largest gold producer, covering operations for the fiscal year ended December 31, 1933, showed a net profit of $5,737,176, equivalent to $1.17 on the shares outstanding, second only to the record earnings established in 1925.

The following tabulation gives comparative income and surplus account figures for the past two years:

**Income & Surplus Account**
Years Ended December 31

| | 1933 $ | 1932 $ |
|---|---|---|
| Gold & silver prod. | •13,778,683 | •11,723,074 |
| Less oper. exps.: | | |
| Mining chgs. .... | 5,240,318 | 5,316,503 |
| Milling chgs. .... | 1,074,238 | 1,074,240 |
| General chgs. .... | 477,120 | 436,993 |
| Taxes ........... | 699,741 | 626,132 |
| Work. comp. .... | ...... | 491,787 |
| Net oper. earn. .... | 6,287,266 | 3,877,419 |
| Add non-oper. earn.: | | |
| Int. on invests. & other income ... | 161,761 | 145,418 |
| Total net earn. .... | 6,449,027 | 4,022,837 |
| Less reserves: | | |
| Plant deprec. .... | 195,300 | 11,110 |
| Invest. in prop. & comp. w/d ..... | 2,744 | 3,004 |
| Prop. aband. w/o. | 60,559 | 45,838 |
| Res. for silicosis... | 453,248 | ...... |
| Net profit ......... | 5,737,176 | 3,962,885 |
| Less appropriations: | | |
| Dividends ......... | 4,182,000 | 3,690,000 |
| Surplus for year ... | 1,556,176 | 272,885 |
| Add: Prev. surplus. | 11,556,665 | 11,694,092 |
| Less: Kam-Kotia Porc. Mines w/d ..... | ...... | 410,322 |
| Reval. of invest... | 7,672,505 | ...... |
| Bal. forward ...... | 5,439,326 | 11,556,655 |

*Deficit.
•Includes exchange compensation.

Earnings per Share & Div. Record:

| | 1933 | 1932 |
|---|---|---|
| Earned .......... | $1.17 | $0.81 |
| Paid ............ | .65+.20 | .65+.10 |
| Shares outstanding.. | 4,920,000 | 4,920,000 |

The normal value of the gold content of the ore treated was the lowest in the company's history, extraction was higher while a new low record of $4.19 per ton for total costs was reported.

### Higher Grade Ore Found

John Knox, general manager of the company, reports that operations in the block from the 2,750-ft. level to the 3,950-ft. level are still confined to development only, but an additional $3,000,000 in ore averaging $9 per ton was put in sight during the year, increasing the ore reserves to $48,430,451 or an average of $7.47 per ton as compared with $45,492,076 or an average of $7.52 per ton reported in the previous year; all values calculated at $20.67 per ounce.

The significant statement was that 34 per cent of all the ore milled came from the old workings above the 800-ft. level. Operations were carried on at all levels from the surface to the 3,950-ft., or deepest level, but below the 2,750-ft. horizon operations were confined to development only. The extension of the ore zone to the west was continued to a point 1,600-ft. west of the Schumacher shaft. The present development programme includes the driving of a ventilation drift west of this point with the object of connecting up the central shaft at a further distance of 1,400 ft. The new winze located 100 ft. south of the Schumacher shaft has been started below the 3,950-ft. level.

The following tabulation gives summary of operations since inception of production:

**Summary of Production**
(Years Ended December 31)

| Year | Tons Milled | Per cent per ton | Value Recovered |
|---|---|---|---|
| 1910 ........ | 813 | $38.35 | $ 31,194 |
| 1911* ....... | 1,000 | 46.08 | 46,082 |
| 1912 ........ | 45,195 | 20.11 | 909,181 |
| 1913 ........ | 138,291 | 17.82 | 2,465,978 |
| 1914 ........ | 208,935 | 12.85 | 2,688,355 |
| 1915 ........ | 334,750 | 9.50 | 3,169,928 |
| 1916 ........ | 601,854 | 8.43 | 5,073,401 |
| 1917 ........ | 514,301 | 8.29 | 4,261,938 |
| 1918 ........ | 578,755 | 9.87 | 5,752,371 |
| 1919 ........ | 711,882 | 9.45 | 6,722,266 |
| 1920 ........ | 650,205 | 9.56 | 6,219,665 |
| 1921 ........ | 1,072,493 | 9.36 | 10,031,051 |
| 1922 ........ | 1,491,381 | 8.23 | 12,274,114 |
| 1923 ........ | 1,366,352 | 7.64 | 10,446,412 |
| 1924 ........ | 1,659,475 | 8.10 | 13,429,226 |
| 1925 ........ | 1,929,988 | 8.18 | 15,786,406 |
| 1926 ........ | 1,932,559 | 7.65 | 14,780,667 |
| 1927 ........ | 2,178,329 | 6.68 | 14,548,900 |
| 1928 ........ | 1,778,470 | 6.03 | 10,712,822 |
| 1929 ........ | 1,549,157 | 6.09 | 9,433,767 |
| 1930 ........ | 1,625,868 | 6.31 | 10,263,505 |
| 1931 ........ | 1,640,705 | 6.15 | 10,094,459 |
| 1932 ........ | 1,754,863 | 5.92 | 10,394,409 |
| 1933 ........ | 1,727,102 | 5.77 | 9,971,877 |
| | | | $189,599,309 |

*Estimate only.

### Investments Not Valued

N. A. Timmins, president of the company, calls attention to the securities held which appear in the balance sheet at cost or $4,406,665. These securities comprise 20.4 per cent bonds; 7.3 per cent preferred stock and 72.3 per cent common stock.

The working capital exclusive of these investments increased to $2,965,824 as at December 31 last.

The following tabulation gives comparative working capital figures for the past two years exclusive of investments:

**Working Capital**

| | 1933 $ | 1932 $ |
|---|---|---|
| Current assets ...... | 4,202,257 | 2,356,919 |
| Current liabilities ... | 1,237,433 | 889,747 |
| Working capital .... | 2,965,824 | 1,467,172 |

Dividends disbursed by the company since 1912 total $66,102,400, the greatest of any gold mine on the continent.

### Subsidiary Promising

Reference is made to the company's subsidiary operations at the Young-Davidson property in the Matachewan area of Ontario where a 500-ton mill is under construction. This plant is expected to be in operation early this summer and mining will be by open-cut method of upward of 2,500,000 tons of ore currently valued at about $3.90 per ton in gold. Based on this valuation a net profit of 70 cents per ton is indicated.

## Metal Prices

New York—March 20—
Copper: Electrolytic spot and future, 8c.
Silver: 45¾c.
London—March 20—
(Long Ton)—
Copper: Electrolytic spot, £35; future, £35 10s.
Standard spot, £33 5s; future, £32 10s.
Tin: Spot, £234 17s 6d; future, £233 7s 6d.
Lead: Spot, £11 7s 6d; future, £11 15s.
Zinc: Spot, £14 12s 6d; future, £14 17s 6d.
Silver: 20-3/16d per ounce.
Gold: 136s 2d.
Canada—March 20—
Gold: $34.76.

Trim Mill of Base Metals Mining Corp.

The 300-ton mill has the unique advantage of having its ore delivered entirely by gravity from the mine high up in Mt. Stephen. A 1,600-ft. aerial tramway connects the portal of the mine with the mill.

## Base Metals Mining Corp. Has Unique Mines Layout

### Gravity Plays Large Part in Making Low Operating Cost at Lead-Zinc Producer in Mountains

From Our Own Correspondent

FIELD, B.C.—Nestled in the Kicking Horse Pass at the foot of Mount Stephen on the main line of the Canadian Pacific Railway is the trim 300-ton mill of Base Metals Mining Corp. which is connected with the portal of the mine 1,600 ft. away where it looks like the opening to the nest of a cliff swallow on the sheer face of the mountain. It is one of Canada's unique mining operations—unique because it is the only lead-zinc property in production in the Dominion except for the renowned Sullivan mine of the Consolidated Mining & Smelting Co. It is in operation when all other similar mining operations are suspended owing to low metal prices, and the answer lies in the application of gravity to lowering operating costs.

Back in the bowels of Mount Stephen is a base metal ore body composed of replacement deposits of lead and zinc carrying values in silver. These have been undercut by an incline tunnel with the result that mining and stoping operations are accomplished by dropping the ore down through the shoot into cars which are counterweighted and as the loaded cars move toward the portal of the mine and the ore pocket for the aerial conveyor, gravity through the counterweight provides for the return of the cars to the loading shoot for another load of ore.

This is only the start of the gravity operations at this unique property. Through ore pockets the aerial bucket conveyors are now loaded for their 1,600 ft. trip by gravity to the mine. In descending, their weight operates to bring back the empty buckets for further loads.

The part played by gravity does not end here. The mill on the gentler slopes of the mountain provides for a gravity flow of the ore until it emerges in the form of zinc and lead concentrates which are loaded within the mill on the awaiting freight cars for transport to Vancouver and from there by boat through the Panama Canal to the smelters of Europe.

### Operating Costs Low

Although the operation is not large in terms of base metal mining—300 tons daily—mining costs have been reduced to $1.16 per ton, while milling costs notwithstanding the generation of power by Diesel engines totalling 1,000 h.p. are $1.27 per ton.

Another unique feature of this operation is that the clean, high-grade nature of the ore—14 per cent lead and 8 per cent zinc—permits the production of concentrates reported to be the highest on the continent, the lead concentrates running up as high as 82 per cent lead and the zinc concentrates as high as 62 per cent zinc, which are among the world's highest grade concentrates.

This property, worked 35 years ago, took on new life in November, 1929, when modern mining engineering stepped in to make it a profitable producer. When the zinc and lead prices sunk to unprecedented low price levels, operations were suspended in October, 1930, to be resumed last September, notwithstanding the fact that metal prices were still lower on that date.

A three weeks' shut-down occurred early this year to provide facilities for the removal of the waste rock and extend the east and west ore limits of the west or main Monarch ore body.

## New Hydration Process Widens Sulphate Mart

By Staff Editor

CALGARY. — A new scientific process, the work of Dr. D. F. E. Seyer, professor of chemical engineering at the University of British Columbia, is having practical results that promise to stimulate greatly the production of sodium sulphate and its allied products from Saskatchewan's numerous alkali deposits.

The feature of the new process is that it dehydrates the raw material and makes a better product than is now possible. By further eliminating the water in the product, the freight charges are materially reduced with the result that the market is greatly extended and imported products further displaced.

One of the principal producers of sodium sulphate is the International Nickel Co. from its Horseshoe Lake Mines near Ormiston, Sask. This production is treated with sulphuric acid at Copper Cliff, Ont., to produce nitre cake, an essential flux used in the primary refining of nickel-copper matte.

It is known that the International Nickel Co. is interested in the new process and is keeping a watchful eye on developments. It is understood that Dr. Seyer and his associates propose constructing a commercial plant near Oban, Sask.

East Crest Oil is reported as acquiring the patent rights from Dr. Seyer.

Some idea of the importance of the sodium sulphate industry can be gained by the fact that shipments in 1933 were some four times greater than those in the previous year. At that the Canadian production enjoyed only a portion of the market owing to the foreign competition. It is claimed that, with shipping charges reduced, export markets offer considerable attraction.

## Wiltsey-Coghlan Mines Current Assets $30,891

Annual report of Wiltsey-Coghlan Mines for the year ended December 31, 1933, showed current assets of $30,891 and current liabilities of $323. No change has been made in the capital outstanding.

H. S. Denny, president of the company, reported on development work at the company's property adjoining the Noranda mines as follows:

"Since the previous report two short holes, No.'s 20 and 21, were completed. No. 20 hole was drilled from the ice to test the continuity of the discovery on the south shore of the bay from which one good assay was obtained from surface work. The same well mineralized section was shown in the core, but the assays were under a dollar per ton. Hole No. 21 disclosed the presence of a great mass of quartz diorite, the presence of which was not suspected from surface observation. The whole area is to be subjected to a new survey in the hope of locating a major sulphide body, the presence of which is thought to exist in this area.

"Further drilling is to be carried out in the central section on the main schisted zone and on the extension of the mineralized body reported to have been intersected on the Notre Dame property adjoining to the east."

## TOBURN GOLD MINES HAS $126,723 PROFIT

### Old Property Shows Increase in Ore Reserves in New Hands

The first published report of Toburn Gold Mines, subsidiary of Premier Gold Mining Co., covering the fiscal year ended December 31, 1933, shows a net profit of $126,723, equivalent to approximately seven cents per share on the 1,850,000 shares outstanding from which an initial dividend of 2 cents per share was paid on Feb. 22, 1934.

The following tabulation gives comparative details of production since the commencement of production in August, 1932:

| | 1933 | 1932 |
|---|---|---|
| Gross value ........... | $657,333 | $ ...... |
| Tons milled ........... | 36,913 | 14,689 |
| Aver. gold per ton, oz. .. | 0.659 | 0.723 |
| Fine gold produced, oz... | 23,020 | 9,840 |

The company's property, formerly known as the Tough-Oakes-Burnside Mine, the first producer in the Kirkland Lake area of Ontario, was refinanced by Premier Gold Mining Co. which rehabilitated the property and formed the present company in consideration of 1,490,000 shares. The balance of 360,000 shares owned by the Bunker Hill Extension Mines, were distributed to its shareholders at the end of 1933.

### Ore Reserves Up

H. A. Guess, president of the company, reports that as a result of the development programme two new ore shoots of relatively small size and of good grade were found and opened up. One was on the 542-ft. level east of the dike fault and the other on the 893-ft. level west of the dike fault. Also, this work extended, in several places, the dimensions of the previously known ore bodies.

The estimated ore reserves of December 31, 1933, were 50,200 tons averaging approximately .66 oz. gold as compared with 29,200 tons at the end of the previous year.

As at December 31, 1933, current assets were $285,818 including $209,026 in cash, against current liabilities of $45,403.

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## HOWEY REPORTS $155,277 PROFIT RECOVERY LESS

### Costs Reduced, While Ore Reserves and Mill Capacity Increased

Howey Gold Mines, Canada's lowest cost mine with the lowest grade of ore and pioneer producer in the Patricia district of Ontario, reports for the fiscal year ended December 31, 1933, a year of expansion in milling capacity, an increase in ore reserves, but a decrease in the gross value of production and in net earnings owing to lower grade of ore treated. Net profits were $155,277, equivalent to three cents per share from which an initial dividend of three cents per share was paid on February 20 last.

**Income and Surplus Account**
Years Ended Dec. 31

| | 1933 $ | 1932 $ |
|---|---|---|
| Ore production ...... | ▲1,158,470 | ▲1,268,780 |
| Discounts received ... | 981 | 495 |
| Int. earned (net) .... | 1,973 | ...... |
| | 1,161,424 | 1,269,275 |
| Less: Devel. ........ | 56,817 | 98,485 |
| Mining ............ | 388,701 | 328,700 |
| Crush. & convey. .. | 34,918 | 38,867 |
| Milling ........... | 214,489 | 228,870 |
| Bullion exp. ...... | 9,316 | 12,633 |
| Insurance ......... | 13,958 | 12,535 |
| Adminis. & gen. exp. | 52,582 | 64,977 |
| Interest paid (net) | ...... | 13,796 |
| Tax reserve ....... | 13,017 | 15,000 |
| Operat. earn. ....... | 377,626 | 455,412 |
| Less: Deprecia. ..... | 119,109 | 115,334 |
| Preliminary develop. exp. written off† . | 103,240 | 197,550 |
| Net profit .......... | 155,277 | 142,528 |
| Less: Prev. deficit .. | 37,343 | 179,871 |
| Bal. carried forward . | 117,934 | 37,343 |

† Written off at 30c. per ton milled in 1933; 60c. in 1932.
▲ Includes exchange compensation.

| | 1933 | 1932 |
|---|---|---|
| Earned per share .... | $0.031 | $0.028 |
| Shares outstanding .. | 5,000,000 | 5,000,000 |

Operating costs showed a decline to $2.92 per ton of ore mined as compared with $3.42 in the previous year. Development costs were lower reflecting the curtailed development programme which was more productive in broken ore. The same liberal policy respecting depreciation of plant was followed, but the write-off for predevelopment work was reduced to 60 cents per ton milled to 30 cents.

### Operating Costs $1.85 Per Ton

On October 1, the mill was increased from 900 to 1,350 tons daily and F. D. Reid, general manager of the company, comments that this increase in capacity was made in order to mine and mill, at a profit, a large tonnage of low-grade ore located west of the shaft above the 1,000-ft. level and also the ore developed below this level. Enough ore was treated at the increased rate to demonstrate that the total operating cost could be reduced to $1.85 per ton as compared with an operating cost of $2.24 per ton in 1933.

The following tabulation gives a summary of production since the inception of operations in April, 1930:

**Production Summary**
(Ontario Mines Dept. Figures)
Years Ended Dec. 31

| Year | Tons milled | Milled daily | Rec. per ton $ | Bullion recov.† $ |
|---|---|---|---|---|
| 1930* .... | 110,438 | 408 | 4.17 | 460,428 |
| 1931 .... | 211,552 | 588 | 4.10 | 866,606 |
| 1932 .... | 284,664 | 778 | 3.95 | 1,120,670 |
| 1933 .... | 290,965 | 796 | ... | 841,583 |

* Nine months.
†Exclusive of exchange compensation.

Broken ore reserves increased to 276,526 tons as at Dec. 31, 1933, as compared with 206,150 tons at the end of previous year. The unbroken ore reserves were estimated at 1,751,755 tons and the comment is made that it is impossible to arrive at the value of these reserves by underground sampling methods owing to the extremely erratic distribution of gold. However, the estimated value is given at between $3.50 and $4.00 per ton at the current price of gold.

During the past year exploration work was confined to extending the limits of the known ore body above the 1,000 ft. level. A substantial tonnage of low grade ore was reported as developed. Shaft sinking below the 1,315-ft. level was commenced and is to be extended to an immediate objective of 1,500 ft., where further exploration work will be done. The east drift on the 1,000-ft. level is also being driven into unexplored ground and this area will be thoroughly prospected by diamond drilling.

The balance sheet dated December 31, 1933, reflects continued improvement in the company's liquid position with a working capital of $446,103 from which the initial dividend was paid.

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## Pioneer Claims May Form Part Of New Merger

Plans are under way for a consolidation of properties in the Bridge River area, which will include merging part of the Pioneer Gold Mines claims on the southeast section of its property.

A few months ago the Pacific Great Eastern Gold Mines was incorporated with a capitalization of 5,000,000 shares of no par value to consolidate the P. E. Gold Mines, Plutus Mines and Dan Tucker Mines lying to the southeast of Pioneer. Plans call for taking in only those claims of Pioneer Gold Mines that would be more advantageously developed by the merger. No details have been announced as to the probable share interest of the respective interests, but it is known that Major James Lowry, managing director of the Home Oil Co. is interested in the merger.

The Pioneer property has at the present time been developed to a maximum length at depth of approximately 3,000 ft. along its vein system, which is considered the present economic limit. By consolidation and the forming of a new company along the plan of the recently formed Bradian Mines to the northwest of Pioneer, it is believed that a more effective and less expensive development programme can be undertaken.

## Ontario Gold Mines Output $5,569,210 During February

Report by the Ontario Department of Mines shows a further advance in Ontario gold production of $5,569,210 in February as compared with $5,528,048 in January. All values have been transposed to Canadian funds in terms of the prevailing exchange rate.

The following tabulation gives comparative figures:

**1934 Monthly Output**

| Source and Period | Tons Milled | Value $ |
|---|---|---|
| Porcupine Camp— | | |
| January .......... | 302,580 | 2,513,247 |
| February .......... | 275,105 | 2,692,955 |
| Kirkland Lake Camp— | | |
| January .......... | 167,953 | 2,781,721 |
| February .......... | 151,794 | 2,655,784 |
| N. W. Ontario | | |
| January .......... | 47,646 | 233,080 |
| February .......... | 36,720 | 220,471 |
| Total—Jan. ..... | 518,179 | 5,528,048 |
| Feb. ..... | 463,619 | 5,569,210 |

## Swayze-Huycke Mines Installs Power Plant

Operations are to be speeded up at the Swayze-Huycke Gold Mines property about three miles south of the Kenty property in the Swayze area. A Diesel engine-driven compressor has been purchased, and a start has been made sinking a shaft to the 500-ft. horizon. The shaft is down approximately 40 ft. A steam power plant to operate a hoist has also been installed.

William L. Doyle, president of the company, states that application has been made for listing the shares on the New York Mining Exchange and that application papers for qualification under the United States Security Act have been filed.

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